

# SENATE, No. 687

## STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Senator ROBERT M. GORDON**

**District 38 (Bergen and Passaic)**

**Co-Sponsored by:**

**Senators Cunningham, Ruiz, Allen, Beck, A.R.Bucco, T.Kean, Pennacchio,  
Singer and Oroho**

**SYNOPSIS**

Establishes State Transportation Infrastructure Bank within New Jersey  
Environmental Infrastructure Trust.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1   **AN ACT** establishing a State Transportation Infrastructure Bank  
2       Fund and Clean Energy and Infrastructure Modernization Fund  
3       within the New Jersey Environmental Infrastructure Trust,  
4       amending the title and body of P.L.1985, c.334 and various parts  
5       of the statutory law, supplementing Title 58 of the Revised  
6       Statutes, and repealing P.L.1997, c.142.

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

10

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

13       1. This act shall be known and may be cited as the "New Jersey  
14       Environmental Infrastructure Trust, State Transportation  
15       Infrastructure Trust, and Clean Energy and Infrastructure  
16       Modernization Act."

17       (cf: P.L.1997, c.224, s.2)

18

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

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

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

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

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

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

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

17 d. The Legislature therefore determines that it is in the public  
18 interest to establish a State authority authorized to issue bonds,  
19 notes and other obligations and to establish any reserve funds  
20 necessary therefor, and to make loans to and guarantee debt  
21 incurred by local government units for environmental infrastructure  
22 projects.

23 e. The Legislature finds that a safe and reliable transportation  
24 system is essential to the public's health, safety, and welfare, as  
25 well as the economic stability and growth of the State.

26 f. The Legislature finds that a State Transportation  
27 Infrastructure Bank may be a means to finance projects that  
28 rehabilitate and construct transportation infrastructure that support a  
29 safe and reliable transportation system for the State.

30 g. The Legislature recognizes that the New Jersey  
31 Environmental Infrastructure Trust created by section 4 of  
32 P.L.1985, c.334 (C.58:11B-4) is an established State authority  
33 authorized to issue bonds, notes, and other obligations and to  
34 establish any reserve funds necessary to make loans to, and  
35 guarantee debt incurred by, local government units for  
36 environmental infrastructure.

37 h. The Legislature recognizes that the Commissioner of  
38 Transportation has the responsibility to solve or assist in the  
39 solution of the problems of all modes of transportation, to construct  
40 needed transportation systems, to promote an efficient, fully-  
41 integrated and balanced transportation system for the State, and to  
42 coordinate all transportation activities of State agencies, State-  
43 created public authorities, and other public agencies with  
44 transportation responsibilities in the State.

45 i. The Legislature recognizes that the State Transportation  
46 Infrastructure Bank created by section 2 of P.L.1997, c.142  
47 (C.27:1B-21.11) has not been capitalized and has therefore not been  
48 utilized.

1       j. The Legislature finds that there may be federal, State, or  
2 other funds available to capitalize a State Transportation  
3 Infrastructure Bank for transportation projects.

4       k. The Legislature therefore determines that it is in the public  
5 interest to merge the State Transportation Infrastructure Bank under  
6 the authority of the Commissioner of Transportation with the trust,  
7 in such a manner that a State Transportation Infrastructure Bank can  
8 take advantage of the trust's expertise in financing environmental  
9 infrastructure projects and the Commissioner of Transportation's  
10 expertise in managing transportation projects among State agencies,  
11 State-created public authorities, and other public agencies with  
12 transportation infrastructure responsibilities within the State.

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

14  
15       3. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to read  
16 as follows:

17       3. As used in sections 1 through 27 of P.L.1985, c.334  
18 (C.58:11B-1 through 58:11B-27) **【and】**, sections 23 through 27 of  
19 P.L.1997, c.224 (C.58:11B-10.1 et al.), and sections 27 through 35  
20 of P.L. , c. (C. ) (pending before the Legislature as this  
21 bill):

22       "Bonds" means bonds issued by the trust pursuant to P.L.1985,  
23 c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et  
24 al.) **【;】**, or P.L. , c. (C. ) (pending before the Legislature as  
25 this bill).

26       "Class I renewable energy" means electric energy produced from  
27 solar technologies, photovoltaic technologies, wind energy, fuel  
28 cells, geothermal technologies, wave or tidal action, small scale  
29 hydropower facilities with a capacity of three megawatts or less and  
30 put into service after the effective date of P.L.2012, c.24, and  
31 methane gas from landfills or a biomass facility, provided that the  
32 biomass is cultivated and harvested in a sustainable manner.

33       "Class II renewable energy" means electric energy produced at a  
34 hydropower facility with a capacity of greater than three megawatts  
35 or a resource recovery facility, provided that such facility is located  
36 where retail competition is permitted and provided further that the  
37 Commissioner of Environmental Protection has determined that the  
38 facility meets the highest environmental standards and minimizes  
39 any impacts to the environment and local communities.

40       "Combined sewer system" means a sewer system designed to  
41 carry sanitary wastewater at all times, which is also designed to  
42 collect and transport stormwater runoff from streets and other  
43 sources, thereby serving a combined purpose **【;】**.

44       "Combined sewer overflow" means the discharge of untreated or  
45 partially treated stormwater runoff and wastewater from a combined  
46 sewer system into a body of water **【;】**.

1 "Commissioner" means the Commissioner of **the Department**  
2 **of** Environmental Protection **;**.

3 "Cost" means the cost of all labor, materials, machinery and  
4 equipment, lands, property, rights and easements, financing  
5 charges, interest on bonds, notes, or other obligations, plans and  
6 specifications, surveys or estimates of costs and revenues,  
7 engineering and legal services, and all other expenses necessary or  
8 incident to all or part of an environmental infrastructure project **;**.

9 "Department" means the Department of Environmental  
10 Protection **;**.

11 "Energy project" means any work relating to the acquisition,  
12 construction, repair, or reconstruction of all or part of any structure,  
13 facility, or equipment, or real or personal property necessary for or  
14 ancillary to the: (1) production, collection, storage, improvement,  
15 distribution, maintenance, transmission, supply, consumption, or  
16 conservation of Class I renewable energy, Class II renewable  
17 energy, and gas energy; or (2) relocation of power lines  
18 underground.

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

28 "Federal state infrastructure bank program" means the United  
29 States Department of Transportation State Infrastructure Bank  
30 Program provided for in section 1602 of Pub.L.109-59 (23 U.S.C.  
31 s.610) as amended or superseded.

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

1 transportation infrastructure as part of a public-private partnership  
2 for work relating to that public-private partnership.

3 "Notes" means notes issued by the trust pursuant to P.L.1985,  
4 c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et  
5 al.) **[;]**, or P.L. , c. (C. ) (pending before the Legislature as  
6 this bill).

7 "Onsite septic system ordinance or regulation" means an  
8 ordinance adopted by a municipality or county or regulation  
9 adopted by a regional planning agency establishing the  
10 requirements for construction, maintenance, and repair of onsite  
11 wastewater treatment and disposal systems **[;]**.

12 "Onsite wastewater treatment and disposal system" means an on-  
13 site system designed to treat and dispose of domestic sewage **[;]**.

14 "Other assistance" means forms of financial assistance, in  
15 addition to loans authorized by the federal<sup>1</sup> state<sup>1</sup> infrastructure bank  
16 program, including, but not limited to, the use of funds to: provide  
17 credit enhancements; serve as a capital reserve for bond or other  
18 debt instrument financing; subsidize interest rates; ensure the  
19 issuance of letters of credit and credit instruments; finance purchase  
20 and lease agreements with respect to transit projects; and provide  
21 bond or other debt financing instrument security.

22 "Project" **[or "environmental infrastructure project"]** means the  
23 acquisition, construction, improvement, repair, or reconstruction of  
24 all or part of any structure, facility, or equipment, or real or  
25 personal property necessary for or ancillary to any: (1) wastewater  
26 treatment system project, including any stormwater management or  
27 combined sewer overflow abatement projects; **[or]** (2) water supply  
28 project, as authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et  
29 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water  
30 resources project, as authorized pursuant to P.L.2003, c.162; (3) any  
31 transportation project authorized pursuant to P.L. , c. (C. )  
32 (pending before the Legislature as this bill); or (4) any energy  
33 project authorized pursuant to P.L. , c. (C. ) (pending  
34 before the Legislature as this bill).

35 "Public water utility" means any investor-owned water company  
36 or small water company **[;]**.

37 "Small water company" means any company, purveyor, or entity,  
38 other than a governmental agency, that provides water for human  
39 consumption and which regularly serves less than 1,000 customer  
40 connections, including nonprofit, noncommunity water systems  
41 owned or operated by a nonprofit group or organization **[;]**.

42 "State Transportation Infrastructure Bank" means the State  
43 Transportation Infrastructure Bank created pursuant to P.L. , c.  
44 (C. ) (pending before the Legislature as this bill).

45 "Stormwater management system" means any equipment, plants,  
46 structures, machinery, apparatus, management practices, or land, or  
47 any combination thereof, acquired, used, constructed, implemented,

1 or operated to prevent nonpoint source pollution, abate improper  
2 cross-connections and interconnections between stormwater and  
3 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
4 induce groundwater recharge, or any combination thereof [;].

5 “Transportation project” shall have the same meaning as set forth  
6 in section 3 of P.L.1984, c.73 (C.27:1B-3).

7 "Trust" means the New Jersey Environmental Infrastructure  
8 Trust created pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4)  
9 [;].

10 "Wastewater" means residential, commercial, industrial, or  
11 agricultural liquid waste, sewage, septage, stormwater runoff, or  
12 any combination thereof, or other liquid residue discharged or  
13 collected into a sewer system or stormwater management system, or  
14 any combination thereof [;].

15 "Wastewater treatment system" means any equipment, plants,  
16 structures, machinery, apparatus, or land, or any combination  
17 thereof, acquired, used, constructed, or operated by, or on behalf of,  
18 a local government unit for the storage, collection, reduction,  
19 recycling, reclamation, disposal, separation, or other treatment of  
20 wastewater or sewage sludge, or for the collection or treatment, or  
21 both, of stormwater runoff and wastewater, or for the final disposal  
22 of residues resulting from the treatment of wastewater, including,  
23 but not limited to, pumping and ventilating stations, treatment  
24 plants and works, connections, outfall sewers, interceptors, trunk  
25 lines, stormwater management systems, and other personal property  
26 and appurtenances necessary for their use or operation; "wastewater  
27 treatment system" shall include a stormwater management system  
28 or a combined sewer system [;].

29 "Wastewater treatment system project" means any work relating  
30 to the acquisition, construction, improvement, repair, or  
31 reconstruction of all or part of any structure, facility, or equipment,  
32 or real or personal property necessary for or ancillary to any  
33 wastewater treatment system that meets the requirements set forth  
34 in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,  
35 C.58:11B-21, and C.58:11B-22); or any work relating to any of the  
36 stormwater management or combined sewer overflow abatement  
37 projects identified in the stormwater management and combined  
38 sewer overflow abatement project priority list adopted by the  
39 commissioner pursuant to section 28 of P.L.1989, c.181; or any  
40 work relating to the purposes set forth in section 6 of P.L.2003,  
41 c.162; or any work relating to any other project eligible for  
42 financing under the [Federal] “Federal Water Pollution Control Act  
43 Amendments of [1972] 1972” (33 U.S.C. s.1251 et seq.), or any  
44 amendatory or supplementary acts thereto [;].

45 "Water resources project" means any work related to transferring  
46 water between public water systems during a state of water  
47 emergency, to avert a drought emergency in all or any part of the



1 State, to plan, design, or construct interconnections of existing  
2 water supplies, or to extend water supplies to areas with  
3 contaminated ground water supplies **;**.

4 "Water supply facilities" means and refers to the real property  
5 and the plants, structures, interconnections between existing water  
6 supply facilities, machinery and equipment, and other property,  
7 real, personal, and mixed, acquired, constructed, or operated, or to  
8 be acquired, constructed, or operated, in whole or in part, by or on  
9 behalf of a public water utility, or by or on behalf of the State or a  
10 local government unit, for the purpose of augmenting the natural  
11 water resources of the State and making available an increased  
12 supply of water for all uses, or of conserving existing water  
13 resources, and any and all appurtenances necessary, useful, or  
14 convenient for the collecting, impounding, storing, improving,  
15 treating, filtering, conserving, or transmitting of water, and for the  
16 preservation and protection of these resources and facilities,  
17 whether in public or private ownership, and providing for the  
18 conservation and development of future water supply resources, and  
19 facilitating incidental recreational uses thereof **;**.

20 "Water supply project" means any work relating to the  
21 acquisition, construction, improvement, repair, or reconstruction of  
22 all or part of any structure, facility or equipment, or real or personal  
23 property necessary for or ancillary to water supply facilities that  
24 meets the requirements set forth in sections 24, 25, and 26 of  
25 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-  
26 22.1); or any work relating to the purposes set forth in section 4 of  
27 P.L.1981, c.261; or any work relating to the purposes set forth in  
28 section 6 of P.L.2003, c.162; or any work relating to any other  
29 project eligible for funding pursuant to the federal "Safe Drinking  
30 Water Act Amendments of 1996," Pub.L.104-182, and any  
31 amendatory and supplementary acts thereto.  
32 (cf: P.L.2009, c.103, s.1)

33  
34 4. Section 4 of P.L.1985, c.334 (C.58:11B-4) is amended as  
35 follows:

36 4. a. There is established in, but not of, the Department of  
37 Environmental Protection a body corporate and politic, with  
38 corporate succession, to be known as the "New Jersey  
39 Environmental Infrastructure Trust." The trust is constituted as an  
40 instrumentality of the State exercising public and essential  
41 governmental functions, no part of whose revenues shall accrue to  
42 the benefit of any individual, and the exercise by the trust of the  
43 powers conferred by the provisions of P.L.1985, c.334 (C.58:11B-1  
44 et seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c.  
45 (C. ) (pending before the Legislature as this bill), shall be  
46 deemed and held to be an essential governmental function of the  
47 State.

1       b. The trust shall consist of **【a seven-member】** an 11 member  
2 board of directors composed of the State Treasurer, the  
3 Commissioner of the Department of Community Affairs, the  
4 Commissioner of Transportation, the President of the Board of  
5 Public Utilities, and the Commissioner of **【the Department of】**  
6 Environmental Protection, who shall be members ex officio; **【one**  
7 **person】** two people appointed by the Governor upon the  
8 recommendation of the President of the Senate, and **【one person】**  
9 two people appointed by the Governor upon the recommendation of  
10 the Speaker of the General Assembly, who shall serve during the  
11 two-year legislative term in which they are appointed; and two  
12 residents of the State appointed by the Governor with the advice  
13 and consent of the Senate, who shall serve for terms of four years,  
14 except that the first two appointed shall serve terms of two and  
15 three years respectively. Each appointed director shall serve until  
16 **【his】** that director's successor has been appointed and qualified. A  
17 director is eligible for reappointment. Any vacancy shall be filled in  
18 the same manner as the original appointment, but for the unexpired  
19 term only.

20       With respect to those public members first appointed by the  
21 Governor, the appointment of each of the two members upon the  
22 advice and consent of the Senate shall become effective 30 days  
23 after their nomination by the Governor if the Senate has not given  
24 advice and consent on those nominations within that time period;  
25 the President of the Senate and the Speaker of the General  
26 Assembly each shall recommend to the Governor a public member  
27 for appointment within 20 days following the effective date of **【this**  
28 **act】** P.L.1985, c.334 (C.58:11B-1 et seq.), and a recommendation  
29 made in this manner shall become effective if the Governor makes  
30 the appointment in accordance with the recommendation, in writing,  
31 within 10 days of the Governor's receipt thereof. In each instance  
32 where the Governor fails to make the appointment, the President of  
33 the Senate and the Speaker of the General Assembly shall make  
34 new recommendations subject to appointment by the Governor as  
35 determined in this section.

36       c. Each appointed director may be removed from office by the  
37 Governor for cause, upon the Governor's consideration of the  
38 findings and recommendations of an administrative law judge after  
39 a public hearing before the judge, and may be suspended by the  
40 Governor pending the completion of the hearing. Each director,  
41 before entering upon **【his】** the director's duties, shall take and  
42 subscribe an oath to perform the duties of **【his】** the director's office  
43 faithfully, impartially, and justly to the best of **【his】** the director's  
44 ability. A record of oaths shall be filed in the office of the Secretary  
45 of State.

46       d. The Governor shall designate one of the appointed members  
47 to be the chairman and chief executive officer of the trust and the

1 directors shall biannually elect a vice-chairman from among the  
2 appointed directors. The chairman shall serve as such for a term of  
3 two years and until a successor has been designated. A chairman  
4 shall be eligible **【to succeed himself】** for one additional two-year  
5 term. The directors shall elect a secretary and treasurer, who need  
6 not be directors, and the same person may be elected to serve as  
7 both secretary and treasurer.

8 The powers of the trust are vested in the directors in office from  
9 time to time and **【four】** six directors shall constitute a quorum at  
10 any meeting. Action may be taken and motions and resolutions  
11 adopted by the trust by the affirmative majority vote of those  
12 directors present, but in no event shall any action be taken or  
13 motions or resolutions adopted without the affirmative vote of at  
14 least **【four members】** six directors. No vacancy on the board of  
15 directors of the trust shall impair the right of a quorum of the  
16 directors to exercise the powers and perform the duties of the trust.

17 e. Each director and the treasurer of the trust shall execute a  
18 bond to be conditioned upon the faithful performance of the duties  
19 of the director or treasurer in a form and amount as may be  
20 prescribed by the State Treasurer. Bonds shall be filed in the office  
21 of the Secretary of State. At all times thereafter, the directors and  
22 treasurer shall maintain these bonds in full effect. All costs of the  
23 bonds shall be borne by the trust.

24 f. The directors of the trust shall serve without compensation,  
25 but the trust shall reimburse the directors for actual and necessary  
26 expenses incurred in the performance of their duties.  
27 Notwithstanding the provisions of any other law to the contrary, no  
28 officer or employee of the State shall be deemed to have forfeited or  
29 shall forfeit **【his】** the officer's or employee's office or employment  
30 or any benefits or emoluments thereof by reason of **【his】** the  
31 officer's or employee's acceptance of the office of ex officio  
32 director of the trust or **【his】** the ex officio director's services  
33 thereon.

34 g. Each ex officio director may designate an officer of **【his】**  
35 the ex officio director's department to represent **【him】** the ex  
36 officio director at meetings of the trust. Each designee may lawfully  
37 vote and otherwise act on behalf of the director for whom **【he】** the  
38 person constitutes the designee. The designation shall be delivered  
39 in writing to the trust and shall continue in effect until revoked or  
40 amended in writing and delivered to the trust.

41 h. The trust may be dissolved by law; provided the trust has no  
42 debts or obligations outstanding or that provision has been made for  
43 the payment or retirement of these debts or obligations. The trust  
44 shall continue in existence until dissolved by act of the Legislature.  
45 Upon any dissolution of the trust all property, funds, and assets of  
46 the trust shall be vested in the State.

1 i. A true copy of the minutes of every meeting of the trust shall  
2 be forthwith delivered by and under the certification of the secretary  
3 thereof to the Governor and at the same time to the Senate and  
4 General Assembly. The time and act of this delivery shall be duly  
5 recorded on a delivery receipt. No action taken or motion or  
6 resolution adopted at a meeting by the trust shall have effect until  
7 10 days, exclusive of Saturdays, Sundays, and public holidays, after  
8 a copy of the minutes has been delivered to the Governor, unless  
9 during the 10-day period the Governor shall approve all or part of  
10 the actions taken or motions or resolutions adopted, in which case  
11 the action **【or】**, motion, or resolution shall become effective upon  
12 the approval.

13 If, in the 10-day period, the Governor returns the copy of the  
14 minutes with a veto of any action taken by the trust or any member  
15 thereof at that meeting, the action shall be of no effect. The Senate  
16 or General Assembly shall have the right to provide written  
17 comments concerning the minutes to the Governor within the 10-  
18 day period, which comments shall be returned to the trust by the  
19 Governor with **【his】** the Governor's approval or veto of the  
20 minutes.

21 The powers conferred in this subsection upon the Governor shall  
22 be exercised with due regard for the rights of the holders of bonds,  
23 notes, and other obligations of the trust at any time outstanding, and  
24 nothing in, or done pursuant to, this subsection shall in any way  
25 limit, restrict, or alter the obligation or powers of the trust or any  
26 representative or officer of the trust to carry out and perform each  
27 covenant, agreement, or contract made or entered into by or on  
28 behalf of the trust with respect to its bonds, notes, or other  
29 obligations or for the benefit, protection, or security of the holders  
30 thereof.

31 j. No resolution or other action of the trust providing for the  
32 issuance of bonds, refunding bonds, notes, or other obligations shall  
33 be adopted or otherwise made effective by the trust without the  
34 prior approval in writing of the Governor and the State Treasurer.  
35 The trust shall provide the Senate and General Assembly with  
36 written notice of any request for approval of the Governor and State  
37 Treasurer at the time the request is made, and shall also provide the  
38 Senate and General Assembly written notice of the response of the  
39 Governor and State Treasurer at the time that the response is  
40 received by the trust.

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

42

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

45 5. Except as otherwise limited by the provisions of P.L.1985,  
46 c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et  
47 al.) , or P.L. , c. (C. ) (pending before the Legislature as this  
48 bill), the trust may:

- 1       a. Make and alter bylaws for its organization and internal  
2 management and, subject to agreements with holders of its bonds,  
3 notes or other obligations, make rules and regulations with respect  
4 to its operations, properties, and facilities **【;】**.
- 5       b. Adopt an official seal and alter it **【;】**.
- 6       c. Sue and be sued **【;】**.
- 7       d. Make and enter into all contracts, leases, and agreements  
8 necessary or incidental to the performance of its duties and the  
9 exercise of its powers under the provisions of P.L.1985, c.334  
10 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),  
11 or P.L. , c. (C. ) (pending before the Legislature as this bill),  
12 and subject to any agreement with the holders of the trust's bonds,  
13 notes, or other obligations, consent to any modification, amendment  
14 or revision of any contract, lease, or agreement to which the trust is  
15 a party **【;】**.
- 16       e. Enter into agreements or other transactions with and accept,  
17 subject to the provisions of section 23 of P.L.1985, c.334  
18 (C.58:11B-23), grants, appropriations, and the cooperation of the  
19 State, or any State agency, in furtherance of the purposes of  
20 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224  
21 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
22 Legislature as this bill), and do anything necessary in order to avail  
23 itself of that aid and cooperation **【;】**.
- 24       f. Receive and accept aid or contributions from any source of  
25 money, property, labor, or other things of value, to be held, used,  
26 and applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-  
27 1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. ,  
28 c. (C. ) (pending before the Legislature as this bill), subject to  
29 the conditions upon which that aid and those contributions may be  
30 made, including, but not limited to, gifts or grants from any  
31 department or agency of the State, or any State agency, for any  
32 purpose consistent 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 P.L. , c. (C. ) (pending before the Legislature as this  
35 bill), subject to the provisions of section 23 of P.L.1985, c.334  
36 (C.58:11B-23) **【;】**.
- 37       g. Acquire, own, hold, construct, improve, rehabilitate,  
38 renovate, operate, maintain, sell, assign, exchange, lease, mortgage,  
39 or otherwise dispose of real and personal property, or any interest  
40 therein, in the exercise of its powers and the performance of its  
41 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.)  
42 **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. )  
43 (pending before the Legislature as this bill) 【;】.
- 44       h. Appoint and employ an executive director and any other  
45 officers or employees as it may require for the performance of its  
46 duties, without regard to the provisions of Title 11A of the New  
47 Jersey Statutes **【;】**.

- 1 i. Borrow money and issue bonds, notes, and other obligations,  
2 and secure the same, and provide for the rights of the holders  
3 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
4 1 et seq.) **or**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. ,  
5 c. (C. ) (pending before the Legislature as this bill) **;**.
- 6 j. Subject to any agreement with holders of its bonds, notes, or  
7 other obligations, invest moneys of the trust not required for  
8 immediate use, including proceeds from the sale of any bonds,  
9 notes, or other obligations, in any obligations, securities, and other  
10 investments in accordance with the rules and regulations of the  
11 State Investment Council or as may otherwise be approved by the  
12 Director of the Division of Investment in the Department of the  
13 Treasury upon a finding that such investments are consistent with  
14 the corporate purposes of the trust **;**.
- 15 k. Procure insurance to secure the payment of its bonds, notes,  
16 or other obligations or the payment of any guarantees or loans made  
17 by it in accordance with the provisions of P.L.1985,  
18 c.334 (C.58:11B-1 et seq.) **or**, P.L.1997, c.224 (C.58:11B-10.1 et  
19 al.), or P.L. , c. (C. ) (pending before the Legislature as this  
20 bill), or against any loss in connection with its property and other  
21 assets and operations, in any amounts and from any insurers as it  
22 deems desirable **;**.
- 23 l. Engage the services of attorneys, accountants, engineers, and  
24 financial experts and any other advisors, consultants, experts, and  
25 agents as may be necessary in its judgment and fix their  
26 compensation **;**.
- 27 m. (1) Make and contract to make loans to local government  
28 units, or to a local government unit on behalf of another local  
29 government unit, to finance the cost of wastewater treatment system  
30 projects or water supply projects and acquire and contract to acquire  
31 notes, bonds, or other obligations issued or to be issued by any local  
32 government units to evidence the loans, all in accordance with the  
33 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
34 c.224 (C.58:11B-10.1 et al.);
- 35 (2) Make and contract to make loans to public water utilities, or  
36 to any other person or local government unit on behalf of a public  
37 water utility, to finance the cost of water supply projects in  
38 accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et  
39 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);
- 40 (3) Make and contract to make loans to private persons other  
41 than local government units, or to any other person or local  
42 government unit on behalf of a private person, to finance the cost of  
43 onsite wastewater treatment and disposal systems or stormwater  
44 management systems in accordance with the provisions of  
45 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
46 10.1 et al.);

1     (4) Make and contract to make loans and provide other  
2     assistance to any local government unit to finance the cost of  
3     transportation projects in accordance with the provisions of the  
4     federal state infrastructure bank program, any other applicable  
5     federal laws regarding the use of federal funds for transportation  
6     projects, and pursuant to P.L. , c. (C. ) (pending before the  
7     Legislature as this bill); and

8     (5) Make and contract to make loans and provide other  
9     assistance to any public or private entity to finance the cost of  
10    energy projects in accordance with the provisions of P.L. , c. (C.  
11    ) (pending before the Legislature as this bill).

12    n. Subject to any agreement with holders of its bonds, notes, or  
13    other obligations, purchase bonds, notes, and other obligations of  
14    the trust and hold the same for resale or provide for the cancellation  
15    thereof, all in accordance with the provisions of 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 P.L. , c. (C. ) (pending before the Legislature as this  
18    bill)**;**.

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

29    (2) Any fees and charges collected by the trust pursuant to this  
30    subsection may be deposited and maintained in a special fund  
31    separate from any other funds held by the trust pursuant to section  
32    10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,  
33    c.224 (C.58:11B-10.1), including the Emergency Loan Fund  
34    established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
35    and shall be available for any corporate purposes of the trust,  
36    including the Emergency Financing Program pursuant to section 4  
37    of P.L.2007, c.138 (C.58:11B-9.1) **;**.

38    p. Subject to any agreement with holders of its bonds, notes, or  
39    other obligations, obtain as security or to provide liquidity for  
40    payment of all or any part of the principal of and interest and  
41    premium on the bonds, notes, and other obligations of the trust or  
42    for the purchase upon tender or otherwise of the bonds, notes, or  
43    other obligations, lines of credit, letters of credit, and other security  
44    agreements or instruments in any amounts and upon any terms as  
45    the trust may determine, and pay any fees and expenses required in  
46    connection therewith **;**.

1 q. Provide to local government units any financial and credit  
2 advice as these local government units may request **【;】**.

3 r. Make payments to the State from any moneys of the trust  
4 available therefor as may be required pursuant to any agreement  
5 with the State or act appropriating moneys to the trust **【; and】**.

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

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

9  
10 6. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to  
11 read as follows:

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

28 b. Whether or not the bonds, notes, or other obligations of the  
29 trust are of a form and character as to be negotiable instruments  
30 under the terms of Title 12A of the New Jersey Statutes, the bonds,  
31 notes, and other obligations are made negotiable instruments within  
32 the meaning of and for the purposes of Title 12A of the New Jersey  
33 Statutes, subject only to the provisions of the bonds, notes, and  
34 other obligations for registration.

35 c. Bonds, notes, or other obligations of the trust shall be  
36 authorized by a resolution or resolutions of the trust and may be  
37 issued in one or more series and shall bear any date or dates, mature  
38 at any time or times, bear interest at any rate or rates of interest per  
39 annum, be in any denomination or denominations, be in any form,  
40 either coupon, registered, or book entry, carry any conversion or  
41 registration privileges, have any rank or priority, be executed in any  
42 manner, be payable in any coin or currency of the United States  
43 which at the time of payment is legal tender for the payment of  
44 public and private debts, at any place or places within or without  
45 the State, and be subject to any terms of redemption by the trust or  
46 the holders thereof, with or without premium, as the resolution or  
47 resolutions may provide. A resolution of the trust authorizing the  
48 issuance of bonds, notes, or other obligations may provide that the



1 bonds, notes, or other obligations be secured by a trust indenture  
2 between the trust and a trustee, vesting in the trustee any property,  
3 rights, powers, and duties in trust consistent with the provisions 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 P.L. , c. (C. ) (pending before the  
6 Legislature as this bill) as the trust may determine.

7 d. Bonds, notes, or other obligations of the trust may be sold at  
8 any price or prices and in any manner as the trust may determine.  
9 Each bond, note, or other obligation shall mature and be paid not  
10 later than **[20]** 30 years from the effective date thereof, or the  
11 certified useful life of the project or projects to be financed by the  
12 bonds, whichever is less, or such shorter period of time as shall be  
13 applicable to any companion loan issued pursuant to federal law or  
14 regulation.

15 All bonds of the trust shall be sold at **[such]** a price or prices and  
16 in **[such]** a manner as the trust shall determine, either: (1) pursuant  
17 to a private negotiated sale; or (2) pursuant to a competitive sale,  
18 and in the case of a competitive sale, after notice of sale, a summary  
19 of which shall be published at least once in at least three  
20 newspapers published in the State of New Jersey and at least once  
21 in a publication carrying municipal bond notices and devoted  
22 primarily to financial news published in New Jersey or the city of  
23 New York, the first summary notice to be at least five days prior to  
24 the day of bidding. The notice of sale may contain a provision to the  
25 effect that any or all bids made in pursuance thereof may be  
26 rejected. In the event of such rejection or of failure to receive any  
27 acceptable bid, the trust, at any time within 60 days from the date of  
28 such advertised sale, may sell such bonds at private sale upon terms  
29 not less favorable to the State than the terms offered by any rejected  
30 bid. The trust may sell all or part of the bonds of any series as  
31 issued to any State fund or to the federal government or any agency  
32 thereof, at private sale, without advertisement.

33 e. Bonds, notes or other obligations of the trust may be issued  
34 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**,  
35 P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. )  
36 (pending before the Legislature as this bill) without obtaining the  
37 consent of any department, division, board, bureau, or agency of the  
38 State, and without any other proceedings or the happening of any  
39 other conditions, or things, other than those consents, proceedings,  
40 conditions or things which are specifically required by  
41 P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224  
42 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
43 Legislature as this bill).

44 f. Bonds, notes, or other obligations of the trust issued under  
45 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**,  
46 P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. )  
47 (pending before the Legislature as this bill) shall not be a debt or

1 liability of the State or of any political subdivision thereof other  
 2 than the trust and shall not create or constitute any indebtedness,  
 3 liability, or obligation of the State or any political subdivision, but  
 4 all these bonds, notes, and other obligations, unless funded or  
 5 refunded by bonds, notes, or other obligations, shall be payable  
 6 solely from revenues or funds pledged or available for their  
 7 payment as authorized in 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 P.L. \_\_\_\_\_,  
 9 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill). Each  
 10 bond, note, and obligation shall contain on its face a statement to  
 11 the effect that the trust is obligated to pay the principal thereof or  
 12 the interest thereon only from its revenues, receipts, or funds  
 13 pledged or available for their payment as authorized in P.L.1985,  
 14 c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et  
 15 al.), or P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (pending before the Legislature as this  
 16 bill), and that neither the State, nor any political subdivision  
 17 thereof, is obligated to pay the principal or interest and that neither  
 18 the faith and credit nor the taxing power of the State, or any  
 19 political subdivision thereof, is pledged to the payment of the  
 20 principal of or the interest on the bonds, notes, or other obligations.

21 g. The aggregate principal amount of bonds, notes, or other  
 22 obligations, including subordinated indebtedness of the trust, shall  
 23 not exceed (1) \$5,000,000,000 with respect to the combined bonds,  
 24 notes, or other obligations issued to finance the Disaster Relief  
 25 Emergency Financing Program established pursuant to section 1 of  
 26 P.L.2013, c.93 (C.58:11B-9.5), and (2) \$2,800,000,000 with respect  
 27 to bonds, notes, or other obligations issued for all other purposes of  
 28 the trust. In computing the foregoing limitations there shall be  
 29 excluded all the bonds, notes, or other obligations, including  
 30 subordinated indebtedness of the trust, which shall be issued for  
 31 refunding purposes, whenever the refunding shall be determined to  
 32 result in a savings.

33 (1) Upon the decision by the trust to issue refunding bonds,  
 34 except for current refunding, and prior to the sale of those bonds,  
 35 the trust shall transmit to the Joint Budget Oversight Committee, or  
 36 its successor, a report that a decision has been made, reciting the  
 37 basis on which the decision was made, including an estimate of the  
 38 debt service savings to be achieved and the calculations upon which  
 39 the trust relied when making the decision to issue refunding bonds.  
 40 The report shall also disclose the intent of the trust to issue and sell  
 41 the refunding bonds at public or private sale and the reasons  
 42 therefor.

43 (2) The Joint Budget Oversight Committee or its successor shall  
 44 have the authority to approve or disapprove the sales of refunding  
 45 bonds as included in each report submitted in accordance with  
 46 paragraph (1) of this subsection. The committee shall notify the  
 47 trust in writing of the approval or disapproval within 30 days of  
 48 receipt of the report. Should the committee not act within 30 days

1 of receipt of the report, the trust may proceed with the sale of the  
2 refunding bonds, provided that the sale of refunding bonds shall  
3 realize not less than **【3.00%】** 3 percent net present value debt  
4 service savings.

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

9 (4) Within 30 days after the sale of the refunding bonds, the  
10 trust shall notify the committee of the result of that sale, including  
11 the prices and terms, conditions, and regulations concerning the  
12 refunding bonds, the actual amount of debt service savings to be  
13 realized as a result of the sale of refunding bonds, and the intended  
14 use of the proceeds from the sale of those bonds.

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

19 h. Each issue of bonds, notes, or other obligations of the trust  
20 may, if it is determined by the trust, be general obligations thereof  
21 payable out of any revenues, receipts, or funds of the trust, or  
22 special obligations thereof payable out of particular revenues,  
23 receipts, or funds, subject only to any agreements with the holders  
24 of bonds, notes, or other obligations, and may be secured by one or  
25 more of the following:

26 (1) Pledge of revenues and other receipts to be derived from the  
27 payment of the interest on and principal of notes, bonds, or other  
28 obligations issued to the trust by one or more local government  
29 units, and any other payment made to the trust pursuant to  
30 agreements with any local government units, or a pledge or  
31 assignment of any notes, bonds, or other obligations of any local  
32 government unit and the rights and interest of the trust therein;

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

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

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

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

1 i. The trust shall not issue any bonds, notes, or other  
2 obligations, or otherwise incur any additional indebtedness, on or  
3 after June 30, 2033.

4 j. (Deleted by amendment, P.L.1996, c.88).  
5 (cf: P.L.2013, c.93, s.2)  
6

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

9 7. In any resolution of the trust authorizing or relating to the  
10 issuance of any of its bonds, notes, or other obligations, the trust, in  
11 order to secure the payment of the bonds, notes, or other obligations  
12 and in addition to its other powers, may by provisions therein which  
13 shall constitute covenants by the trust and contracts with the holders  
14 of the bonds, notes, or other obligations:

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

17 b. Covenant against pledging all or part of its revenues or  
18 receipts;

19 c. Covenant with respect to limitations on any right to sell,  
20 mortgage, lease, or otherwise dispose of any notes, bonds, or other  
21 obligations of local government units, or any part thereof, or any  
22 property of any kind;

23 d. Covenant as to any bonds, notes, or other obligations to be  
24 issued by the trust, and the limitations thereon, and the terms and  
25 conditions thereof, and as to the custody, application, investment,  
26 and disposition of the proceeds thereof;

27 e. Covenant as to the issuance of additional bonds, notes, or  
28 other obligations of the trust or as to limitations on the issuance of  
29 additional bonds, notes, or other obligations and on the incurring of  
30 other debts by it;

31 f. Covenant as to the payment of the principal of or interest on  
32 bonds, notes, or other obligations of the trust, as to the sources and  
33 methods of payment, as to the rank or priority of the bonds, notes,  
34 or other obligations with respect to any lien or security or as to the  
35 acceleration of the maturity of the bonds, notes, or other  
36 obligations;

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

39 h. Covenant against extending the time for the payment of  
40 bonds, notes, or other obligations of the trust or interest thereon;

41 i. Covenant as to the redemption of bonds, notes, and other  
42 obligations by the trust or the holders thereof and privileges of  
43 exchange thereof for other bonds, notes, or other obligations of the  
44 trust;

45 j. Covenant to create or authorize the creation of special funds  
46 or accounts to be held in trust or otherwise for the benefit of holders  
47 of bonds, notes, and other obligations of the trust, or reserves for

- 1 other purposes and as to the use, investment, and disposition of  
2 moneys held in those funds, accounts, or reserves;
- 3 k. Provide for the rights and liabilities, powers, and duties  
4 arising upon the breach of any covenant, condition, or obligation  
5 and prescribe the events of default and terms and conditions upon  
6 which any or all of the bonds, notes, or other obligations of the trust  
7 shall become or may be declared due and payable before maturity  
8 and the terms and conditions upon which the declaration and its  
9 consequences may be waived;
- 10 l. Vest in a trustee or trustees within or without the State any  
11 property, rights, powers, and duties in trust as the trust may  
12 determine, which may include any or all of the rights, powers, and  
13 duties of any trustee appointed by the holders of any bonds, notes,  
14 or other obligations of the trust pursuant to section 18 of  
15 P.L.1985, c.334 (C.58:11B-18), including rights with respect to the  
16 sale or other disposition of notes, bonds, or other obligations of  
17 local government units pledged pursuant to a resolution or trust  
18 indenture for the benefit of the holders of bonds, notes, or other  
19 obligations of the trust and the right by suit or action to foreclose  
20 any mortgage pledged pursuant to the resolution or trust indenture  
21 for the benefit of the holders of the bonds, notes, or other  
22 obligations, and to limit or abrogate the right of the holders of any  
23 bonds, notes, or other obligations of the trust to appoint a trustee  
24 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**,  
25 P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. )  
26 (pending before the Legislature as this bill), and to limit the rights,  
27 duties, and powers of the trustee;
- 28 m. Pay the costs or expenses incident to the enforcement of the  
29 bonds, notes, or other obligations of the trust or of the provisions of  
30 the resolution authorizing the issuance of those bonds, notes, or  
31 other obligations or of any covenant or agreement of the trust with  
32 the holders of the bonds, notes, or other obligations;
- 33 n. Limit the rights of the holders of any bonds, notes, or other  
34 obligations of the trust to enforce any pledge or covenant securing  
35 the bonds, notes, or other obligations; and
- 36 o. Make covenants other than or in addition to the covenants  
37 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997,  
38 c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending  
39 before the Legislature as this bill) of like or different character, and  
40 make covenants to do or refrain from doing any acts and things as  
41 may be necessary, or convenient and desirable, in order to better  
42 secure the bonds, notes, or other obligations of the trust, or which,  
43 in the absolute discretion of the trust, would make the bonds, notes,  
44 or other obligations more marketable, notwithstanding that the  
45 covenants, acts, or things may not be enumerated herein.  
46 (cf: P.L.1997, c.224, s.8)

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

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

11       (2) The trust may make and contract to make loans to public  
12 water utilities, or to any other person or local government unit on  
13 behalf of a public water utility, in accordance with and subject to  
14 the 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.) to finance the cost of any water supply  
16 project, which the public water utility may lawfully undertake or  
17 acquire.

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

24       (4) The trust may make and contract to make loans and provide  
25 other assistance to any local government unit to finance the cost of  
26 transportation projects in accordance with and subject to P.L. \_\_\_\_\_,  
27 c. \_\_\_\_\_ (C. \_\_\_\_\_) (pending before the Legislature as this bill).

28       (5) The trust may make and contract to make loans and provide  
29 other assistance to any public or private entity to finance the cost of  
30 energy projects in accordance with and subject to the provisions of  
31 P.L. \_\_\_\_\_ c. \_\_\_\_\_ (C. \_\_\_\_\_) (pending before the Legislature as this bill).

32       The loans may be made subject to those terms and conditions as  
33 the trust shall determine to be consistent with the purposes thereof.  
34 Each loan by the trust and the terms and conditions thereof shall be  
35 subject to approval by the State Treasurer, and the trust shall make  
36 available to the State Treasurer all information, statistical data, and  
37 reports of independent consultants or experts as the State Treasurer  
38 shall deem necessary in order to evaluate the loan. Each loan to a  
39 local government unit, public water utility, or any other person shall  
40 be evidenced by notes, bonds, or other obligations thereof issued to  
41 the trust. In the case of each local government unit, notes and  
42 bonds to be issued to the trust by the local government unit (1) shall  
43 be authorized and issued as provided by law for the issuance of  
44 notes and bonds by the local government unit, (2) shall be approved  
45 by the Local Finance Board in the Division of Local Government  
46 Services in the Department of Community Affairs, and (3)  
47 notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-28,  
48 and N.J.S.40A:2-29 or any other provisions of law to the contrary,

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

9 b. The trust is authorized to guarantee or contract to guarantee  
10 the payment of all or any portion of the principal and interest on  
11 bonds, notes, or other obligations issued by a local government unit  
12 to finance the cost of any wastewater treatment system project **[or]**,  
13 water supply project, transportation project, or energy project,  
14 which the local government unit may lawfully undertake or acquire  
15 and for which the local government unit is authorized by law to  
16 borrow money, and the guarantee shall constitute an obligation of  
17 the trust for the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.)  
18 **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. \_\_\_\_\_,  
19 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill). Each  
20 guarantee by the trust and the terms and conditions thereof shall be  
21 subject to approval by the State Treasurer, and the trust shall make  
22 available to the State Treasurer all information, statistical data, and  
23 reports of independent consultants or experts as the State Treasurer  
24 shall deem necessary in order to evaluate the guarantee.

25 c. The trust shall not make or contract to make any loans or  
26 guarantees to local government units, public water utilities, or any  
27 other person, or otherwise incur any additional indebtedness, on or  
28 after June 30, 2033.

29 d. Notwithstanding any provision of P.L.1985, c.334  
30 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
31 the contrary, the trust may receive funds from any source or issue  
32 its bonds, notes, or other obligations in any principal amounts as in  
33 the judgment of the trust shall be necessary to provide sufficient  
34 funds to finance or refinance short-term or temporary loans to local  
35 government units, public water utilities, or private persons for any  
36 wastewater treatment system projects included on the Department  
37 of Environmental Protection project priority list and eligible for  
38 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)  
39 or water supply projects included on the Department of  
40 Environmental Protection project priority list and eligible for  
41 approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1),  
42 as applicable, without regard to any other provisions of P.L.1985,  
43 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
44 al.), including, without limitation, any administrative or legislative  
45 approvals.

46 The trust shall create and establish a special fund (hereinafter  
47 referred to as the "Interim Environmental Financing Program  
48 Fund") for the short-term or temporary loan financing or

1 refinancing program (hereinafter referred to as the "Interim  
2 Environmental Financing Program").

3 Any short-term or temporary loans made by the trust pursuant to  
4 this subsection may only be made in advance of the anticipated  
5 loans the trust may make and contract to make under the provisions  
6 of subsection a. of this section from any source of funds anticipated  
7 to be received by the trust. Any such short-term or temporary loan  
8 made pursuant to the Interim Environmental Financing Program  
9 shall mature no later than the last day of the third succeeding fiscal  
10 year following the closing date on which the short-term or  
11 temporary loan was made by the trust to the project sponsor. The  
12 trust may make short-term or temporary loans pursuant to the  
13 Interim Environmental Financing Program to any one or more of  
14 the project sponsors, for the respective projects thereof, identified in  
15 the interim financing project priority list (hereinafter referred to as  
16 the "Interim Environmental Financing Program Eligibility List") in  
17 the form provided to the Legislature by the Commissioner of  
18 Environmental Protection.

19 Incremental revisions or supplements to the Interim  
20 Environmental Financing Program Eligibility List may be submitted  
21 to the Legislature at any time between January 15th and May 15th  
22 of each year.

23 The Interim Environmental Financing Program Eligibility List,  
24 including any revision thereof or supplement thereto, shall be  
25 submitted to the Legislature on or before June 30 of each year on a  
26 day when both Houses are meeting. The President of the Senate and  
27 the Speaker of the General Assembly shall cause the date of  
28 submission to be entered upon the Senate Journal and the Minutes  
29 of the General Assembly, respectively. Any environmental  
30 infrastructure project or the project sponsor thereof not identified in  
31 the Interim Environmental Financing Program Eligibility List shall  
32 not be eligible for a short-term or temporary loan from the Interim  
33 Financing Program Fund.

34 e. Notwithstanding any provision of P.L.1985, c.334  
35 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
36 P.L. , c. (C. ) (pending before the Legislature as this bill) to  
37 the contrary, the trust may receive funds from any source or issue  
38 its bonds, notes, or other obligations in any principal amounts as in  
39 the judgment of the trust shall be necessary to provide sufficient  
40 funds to finance or refinance short-term or temporary loans to local  
41 government units for any transportation project included on the  
42 Department of Transportation project priority list and eligible for  
43 approval pursuant to P.L. , c. (C. ) (pending before the  
44 Legislature as this bill), without regard to any other provisions of  
45 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
46 10 et al.), or P.L. c. (C. ) (pending before the Legislature as  
47 this bill), including, without limitation, any administrative or  
48 legislative approvals.



1     The trust shall create and establish a special fund (hereinafter  
2     referred to as the “Interim Transportation Financing Program  
3     Fund”) for the short-term or temporary loan financing or  
4     refinancing program (hereinafter referred to as the “Interim  
5     Transportation Financing Program”).

6     Any short-term or temporary loans made by the trust pursuant to  
7     this subsection may only be made in advance of the anticipated  
8     loans the trust may make and contract to make under the provisions  
9     of subsection a. of this section from any source of funds anticipated  
10    to be received by the trust. Any such short-term or temporary loan  
11    pursuant to the Interim Transportation Financing Program shall  
12    mature no later than the last day of the third succeeding fiscal year  
13    following the closing date on which such short-term or temporary  
14    loan was made by the trust to the project sponsor. The trust may  
15    make short-term or temporary loans pursuant to the Interim  
16    Transportation Financing Program to any one or more of the project  
17    sponsors, for the respective projects thereof, identified in the  
18    interim financing project priority list (hereinafter referred to as the  
19    “Interim Transportation Financing Program Eligibility List”) in the  
20    form provided to the Legislature by the Commissioner of  
21    Transportation.

22    Incremental revisions or supplements to the Interim  
23    Transportation Financing Program Eligibility List may be submitted  
24    to the Legislature at any time between January 15th and May 15th  
25    of each year.

26    The Interim Transportation Financing Program Eligibility List,  
27    including any revision thereof or supplement thereto, shall be  
28    submitted to the Legislature on or before June 30 of each year on a  
29    day when both Houses are meeting. The President of the Senate and  
30    the Speaker of the General Assembly shall cause the date of  
31    submission to be entered upon the Senate Journal and the Minutes  
32    of the General Assembly, respectively. Any transportation project  
33    or the project sponsor thereof not identified in the Interim  
34    Transportation Financing Program Eligibility List shall not be  
35    eligible for a short-term or temporary loan from the Interim  
36    Transportation Financing Program Fund.

37    f. Notwithstanding any provision of P.L.1985, c.334  
38    (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
39    P.L. , c. (C. ) (pending before the Legislature as this bill) to  
40    the contrary, the trust may receive funds from any source or issue  
41    its bonds, notes, or other obligations in any principal amounts as in  
42    the judgment of the trust shall be necessary to provide sufficient  
43    funds to finance or refinance short-term or temporary loans to local  
44    government units or private persons for any energy project eligible  
45    for approval pursuant to P.L. , c. (C. ) (pending before the  
46    Legislature as this bill), without regard to any other provisions of  
47    P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
48    10 et al.), or P.L. c. (C. ) (pending before the Legislature as

1 this bill), including, without limitation, any administrative or  
2 legislative approvals.

3 The trust shall create and establish a special fund (hereinafter  
4 referred to as the “Interim Energy Financing Program Fund”) for  
5 the short-term or temporary loan financing or refinancing program  
6 (hereinafter referred to as the “Interim Energy Financing  
7 Program”).

8 Any short-term or temporary loans made by the trust pursuant to  
9 this subsection may only be made in advance of the anticipated  
10 loans the trust may make and contract to make under the provisions  
11 of subsection a. of this section from any source of funds anticipated  
12 to be received by the trust. Any such short-term or temporary loan  
13 pursuant to the Interim Energy Financing Program shall mature no  
14 later than the last day of the third succeeding fiscal year following  
15 the closing date on which such short-term or temporary loan was  
16 made by the trust to the project sponsor. The trust may make short-  
17 term or temporary loans pursuant to the Interim Energy Financing  
18 Program to any one or more of the project sponsors, for the  
19 respective projects thereof, identified in a manner consistent with  
20 subsections b. and c. of this section.

21 (cf: P.L.2013, c.93, s.3)

22

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

25 4. a. The trust shall create and establish a special emergency  
26 fund (hereinafter referred to as the "Emergency Loan Fund") for the  
27 emergency short-term or temporary loan financing or refinancing  
28 program (hereinafter referred to as the "Emergency Financing  
29 Program").

30 The Emergency Loan Fund shall be credited with:

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

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

36 (3) any interest earnings received on the moneys in the fund;  
37 and

38 (4) 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 emergency short-term or temporary loans pursuant to the  
41 Emergency Financing Program.

42 b. Notwithstanding any provision of P.L.1985, c.334  
43 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),  
44 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
45 to the contrary, the trust may make emergency short-term or  
46 temporary loans to (1) local government units to finance or  
47 refinance wastewater treatment system projects not included on the  
48 project priority list for the ensuing fiscal year or eligible for

1 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20);  
2 or (2) public water utilities or private persons to finance or  
3 refinance water supply projects not included on the project priority  
4 list for the ensuing fiscal year or eligible for approval pursuant to  
5 section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable,  
6 whenever the Commissioner of Environmental Protection has  
7 determined and certified, in writing, that any such project  
8 constitutes an emergency project because of an imminent threat to  
9 the environment or the public health, safety, or welfare caused by  
10 structural or mechanical failure, sabotage or act of God, without  
11 regard to any other provisions of P.L.1985, c.334 **【or】** (C.58:11B-1  
12 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) or P.L. \_\_\_\_\_,  
13 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill),  
14 including, without limitation, the provisions of section 20 of  
15 P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224  
16 (C.58:11B-20.1), the Interim Environmental Financing Program  
17 Eligibility List pursuant to subsection d. of section 9 of P.L.1985,  
18 c.334 (C.58:11B-9), or any administrative or legislative approvals.  
19 (cf: P.L.2007, c.138, s.4)  
20

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

23 1. a. The trust shall create and establish a special fund  
24 (hereinafter referred to as the "Planning and Design Fund") for the  
25 short-term or temporary financing or refinancing of environmental  
26 planning and engineering design costs (hereinafter referred to as the  
27 "Planning and Design Financing Program").

28 The Planning and Design Fund shall be credited with:

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

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

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

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

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

43 b. 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.),  
45 or P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (pending before the Legislature as this bill)  
46 to the contrary, the trust may make short-term or temporary loans  
47 for environmental planning and engineering design costs to (1) local  
48 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 P.L. , c. (C. ) (pending  
 10 before the Legislature as this bill), including, without limitation, the  
 11 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section  
 12 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental  
 13 Financing Program Eligibility List pursuant to subsection d. of  
 14 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or  
 15 legislative approvals.

16 c. Notwithstanding any provision of P.L.1985, c.334  
 17 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),  
 18 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
 19 to the contrary, the trust may utilize moneys deposited in the  
 20 Interim Environmental Financing Program Fund established  
 21 pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-  
 22 9) to make short-term or temporary loans for environmental  
 23 planning and engineering design costs to (1) local government units  
 24 to finance or refinance wastewater treatment system projects  
 25 included on the project priority list pursuant to section 20 of  
 26 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or  
 27 private persons to finance or refinance water supply projects  
 28 included on the project priority list pursuant to section 24 of  
 29 P.L.1997, c.224 (C.58:11B-20.1), as applicable, in advance of the  
 30 anticipated loans the trust may make and contract to make under the  
 31 provisions of subsection a. of section 9 of P.L.1985, c.334  
 32 (C.58:11B-9) to be financed or refinanced through the issuance of  
 33 bonds, notes or other obligations of the trust authorized under  
 34 section 6 of P.L.1985, c.334 (C.58:11B-6), without regard to any  
 35 other provisions of P.L.1985, c.334 **【or】** (C.58:11B-1 et seq.),  
 36 P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. )  
 37 (pending before the Legislature as this bill), including, without  
 38 limitation, the provisions of section 20 of P.L.1985, c.334  
 39 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the  
 40 Interim Environmental Financing Program Eligibility List pursuant  
 41 to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or  
 42 any administrative or legislative approvals.

43 (cf: P.L.2009, c.59, s.1)

44  
 45 11. Section 5 of P.L.2009, c.103 (C.58:11B-9.3) is amended to  
 46 read as follows:

47 5. a. The trust shall create and establish a special fund  
 48 (hereinafter referred to as the "Onsite Wastewater Disposal Loan

1 Fund") for the purposes of an onsite wastewater disposal loan  
 2 financing or refinancing program (hereinafter referred to as the  
 3 "Onsite Wastewater Disposal Financing Program").

4 The Onsite Wastewater Disposal Loan Fund shall be credited  
 5 with:

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

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

11 (3) any interest earnings received on the moneys in the fund;  
 12 and

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

17 b. Notwithstanding any provision of P.L.1985, c.334  
 18 (C.58:11B-1 et seq.) **【or】** P.L.1997, c.224 (C.58:11B-10.1 et al.),  
 19 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
 20 to the contrary, the trust may make onsite wastewater disposal loans  
 21 for a period not to exceed 10 years to private persons or to local  
 22 government units on behalf of private persons to finance the cost of  
 23 alterations, repairs, or replacements to individual subsurface sewage  
 24 disposal systems performed pursuant to an onsite septic system  
 25 ordinance approved by the Department of Environmental  
 26 Protection, the New Jersey Pinelands Commission, or the New  
 27 Jersey Highlands Council, without regard to any other provisions of  
 28 P.L.1985, c.334 **【or】** (C.58:11B-1 et seq.), P.L.1997, c.224  
 29 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
 30 Legislature as this bill), including, without limitation, the  
 31 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section  
 32 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental  
 33 Financing Program Eligibility List pursuant to subsection d. of  
 34 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or  
 35 legislative approvals.

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

37

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

40 2. a. The trust shall create and establish a special fund  
 41 **【(hereinafter referred】 to be known as the "Supplemental Loan**  
 42 **Fund"【】** for the short-term or temporary supplemental loan  
 43 financing or refinancing program (hereinafter referred to as the  
 44 "Supplemental Financing Program").

45 The Supplemental Loan Fund shall be credited with:

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

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

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

5 (4) such other moneys as the Legislature may appropriate to the  
6 trust for deposit into the fund at any time to finance or refinance  
7 short-term or temporary supplemental loans pursuant to the  
8 Supplemental Financing Program.

9 b. Notwithstanding any provision of P.L.1985, c.334  
10 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),  
11 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
12 to the contrary, the trust may make short-term or temporary loans  
13 for a project for which a loan has been previously issued pursuant to  
14 subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to pay  
15 for eligible costs incurred in excess of the previous loan amount for  
16 activities specifically approved in the previous project loan to: (1)  
17 local government units to finance or refinance wastewater treatment  
18 system projects not included on the project priority list for the  
19 ensuing fiscal year or eligible for approval pursuant to section 20 of  
20 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or  
21 private persons to finance or refinance water supply projects not  
22 included on the project priority list for the ensuing fiscal year or  
23 eligible for approval pursuant to section 24 of P.L.1997, c.224  
24 (C.58:11B-20.1), as applicable, without regard to any other  
25 provisions of P.L.1985, c.334 **【or】** (C.58:11B-1 et seq.), P.L.1997,  
26 c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending  
27 before the Legislature as this bill), including, without limitation, the  
28 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section  
29 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental  
30 Financing Program Eligibility List pursuant to subsection d. of  
31 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or  
32 legislative approvals.  
33 (cf: P.L.2011, c.94, s.2)

34  
35 13. Section 10 of P.L.1985, c.334 (C.58:11B-10) is amended to  
36 read as follows:

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

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

1 or account held by the trust under 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 P.L. , c.  
 3 (C. ) (pending before the Legislature as this bill), and the  
 4 earnings on the moneys in any wastewater treatment system fund or  
 5 account of the trust, and all grants, appropriations, other than those  
 6 referred to in section 11 of P.L.1985, c.334 (C.58:11B-11),  
 7 contributions, or other moneys from any source, available for the  
 8 making of loans to local government units. The amounts in the  
 9 wastewater treatment system general loan fund shall be available  
 10 for application by the trust for loans to local government units for  
 11 the cost of wastewater treatment system projects, and for other  
 12 corporate purposes of the trust related to wastewater treatment  
 13 systems, subject to agreements with the holders of bonds, notes, or  
 14 other obligations of the trust.  
 15 (cf: P.L.1997, c.224, s.10)

16  
 17 14. Section 23 of P.L.1997, c.224 (C.58:11B-10.1) is amended  
 18 to read as follows:

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

21 Subject to the provisions of the legislation appropriating moneys  
 22 to the trust, subject to any other provision 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 P.L. , c. (C. ) (pending before the Legislature as this bill)  
 25 providing otherwise, and subject to agreements with the holders of  
 26 bonds, notes, and other obligations of the trust, the trust shall  
 27 deposit into the water supply facilities general loan fund all  
 28 revenues and receipts of the trust, including moneys received by the  
 29 trust as payment of the principal of and the interest or premium on  
 30 loans made from moneys in any fund or account held by the trust  
 31 under the provisions of 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.), or P.L. , c. (C. )  
 33 (pending before the Legislature as this bill), and the earnings on the  
 34 moneys in any fund or account of the trust, and all grants,  
 35 appropriations, other than those referred to in section 11 of  
 36 P.L.1985, c.334 (C.58:11B-11), contributions, or other moneys  
 37 from any source, available for the making of loans to local  
 38 government units, public water utilities, or to any other person or  
 39 local government unit on behalf of a public water utility, for water  
 40 supply projects. The amounts in the water supply facilities general  
 41 loan fund shall be available for application by the trust for loans to  
 42 local government units, public water utilities, or any other person  
 43 for the cost of water supply projects, and for other corporate  
 44 purposes of the trust, subject to agreements with the holders of  
 45 bonds, notes, or other obligations of the trust.  
 46 (cf: P.L.1999, c.175, s.4)

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

3       1. a. There is established in the New Jersey Environmental  
4 Infrastructure Trust a special fund to be known as the Loan  
5 Origination Fee Fund.

6 The Loan Origination 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) moneys deposited into the fund as loan origination fees paid  
13 by project sponsors of transportation infrastructure projects  
14 financed under the State Transportation Infrastructure Bank Fund;  
15 and

16       (3) any interest accumulated on the amounts of the loan  
17 origination fees.

18       b. Moneys in the Loan Origination Fee Fund shall be used  
19 exclusively (1) by the Department of Environmental Protection  
20 solely for administrative and operating expenses incurred by the  
21 department in administering the New Jersey Environmental  
22 Infrastructure Financing Program, except that the total amount  
23 utilized by the department for administrative and operating  
24 expenses in any fiscal year shall not exceed \$ 5,000,000 and (2) by  
25 the Department of Transportation solely for administrative and  
26 operating expenses incurred by the Department of Transportation in  
27 administering the State Transportation Infrastructure Bank program,  
28 except that the total amount utilized by the Department of  
29 Transportation for administrative and operating expenses in any  
30 fiscal year shall not exceed \$5,000,000. Moneys in the fund shall be  
31 disbursed to the Department of the Treasury on an annual basis to  
32 meet the department's State revenue anticipation established within  
33 the annual appropriations act. Amounts in excess of revenue  
34 anticipation shall be carried forward into the following year.

35       c. As used in this section, "loan origination fee" means (1) the  
36 fee charged by the Department of Environmental Protection and  
37 financed under the trust loan to pay a portion of the costs incurred  
38 by the department in the implementation of the New Jersey  
39 Environmental Infrastructure Financing Program and (2) the fee  
40 charged by the Department of Transportation and financed under  
41 the trust loan to pay a portion of the costs incurred by the  
42 Department of Transportation in the implementation of the State  
43 Transportation Infrastructure Bank program.

44 (cf: P.L.2005, c.202, s.1)

45

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



1       12. a. To assure the continued operation and solvency of the  
2 trust, the trust may require that if a local government unit fails or is  
3 unable to pay to the trust in full when due any obligations of the  
4 local government unit to the trust, an amount sufficient to satisfy  
5 the deficiency shall be paid by the State Treasurer to the trust from  
6 State aid payable to the local government unit. As used in this  
7 section, obligations of the local government unit include the  
8 principal of or interest on bonds, notes, or other obligations of a  
9 local government unit issued to or guaranteed by the trust, including  
10 the subrogation of the trust to the right of the holders of those  
11 obligations, any fees or charges payable to the trust, and any  
12 amounts payable by a local government unit under any service  
13 contract or other contractual arrangement the payments under which  
14 are pledged to secure any bonds or notes issued to the trust by  
15 another local government unit. State aid includes business personal  
16 property tax replacement revenues, State urban aid, and State  
17 revenue sharing, as these terms are defined in section 2 of P.L.1976,  
18 c.38 (C.40A:3-3), or other similar forms of State aid payable to the  
19 local government unit and to the extent permitted by federal law,  
20 federal moneys appropriated or apportioned to the local government  
21 unit by the State.

22       (1) If the trust requires, and there has been a failure or inability  
23 by a local government unit to pay its obligations to the trust  
24 remaining uncured for a period of 30 days, the chairman of the trust  
25 shall certify to the State Treasurer, with written notice to the fiscal  
26 officer of the local government unit and to the Legislature, the  
27 amount remaining unpaid, and the State Treasurer shall pay that  
28 amount to the trust, or if the right to receive those payments has  
29 been pledged or assigned to a trustee for benefit of the holders of  
30 bonds, notes, or other obligations of the trust, to that trustee, out of  
31 the State aid payable to the local government unit, until the amount  
32 so certified is paid.

33       (2) The amount paid over to the trust shall be deducted from the  
34 corresponding appropriation or apportionment of State aid payable  
35 to the local government unit and shall not obligate the State to  
36 make, nor entitle the local government unit to receive, any  
37 additional appropriation or apportionment. The obligation of the  
38 State Treasurer to make payments to the trust or trustee and the  
39 right of the trust or trustee to receive those payments shall be  
40 subject and subordinate to the rights of holders of qualified bonds  
41 issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et  
42 seq.).

43       (3) In those instances where the local government units are  
44 municipal or county sewerage, utility or improvement authorities  
45 created pursuant to P.L.1946, c.138 (C.40:14A-1 et seq.) or  
46 P.L.1957, c.183 [(C 40:14B-1 et seq.)] (C.40:14B-1 et seq.), the  
47 trust may require the municipalities or counties which receive  
48 service or other benefits from the districts or authorities to enter

1 into service contracts or other contractual arrangements under  
2 which they would be required to make payments which would  
3 satisfy any deficiencies in the revenues of the districts or authorities  
4 to repay the loans made by the trust, which contracts would be  
5 pledged to secure the payment of the loans of the trust.

6 b. Whenever a local government unit covenants or pledges to  
7 or secures the payment of its obligations to the trust by, in whole or  
8 in part, certain revenues of the local government unit derived by the  
9 local government unit from the imposition of rates, fees, and  
10 charges, **and the local government unit,** and if payments by  
11 another local government unit under a service contract or other  
12 contractual arrangement are pledged to the payment of the  
13 obligations, and the other local government unit, fails or is unable  
14 to pay in full, when due, any of the obligations, and the State aid  
15 revenues for any reason have not been made available for the  
16 payment of the obligations or have not been made available in  
17 sufficient amounts to pay the obligations in full, the trust is  
18 authorized during the period of such failure to cause the local  
19 government unit, in accordance with the covenants or pledges  
20 established in any loan or other agreement relating thereto, to  
21 establish and collect rates, fees, and charges in the amounts required  
22 to pay the obligations in accordance with the covenants or pledges  
23 established in the loan or other agreement relating thereto.

24 c. In the event that a private entity receiving a loan from the  
25 trust fails or is unable to pay to the trust in full when due any  
26 obligations of the private entity to the trust, the trust shall have the  
27 authority to exercise any and all recourses available to it under the  
28 law in an effort to recover any amounts owed to the trust.

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

30  
31 17. Section 13 of P.L.1985, c.334 (C.58:11B-13) is amended to  
32 read as follows:

33 13. Neither the directors of the trust nor any person executing  
34 bonds, notes, or other obligations of the trust issued pursuant to  
35 P.L.1985, c.334 (C.58:11B-1 et seq.) **or**, P.L.1997, c.224  
36 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
37 Legislature as this bill) shall be liable personally on the bonds,  
38 notes, or other obligations by reason of the issuance thereof.

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

40  
41 18. Section 14 of P.L.1985, c.334 (C.58:11B-14) is amended to  
42 read as follows:

43 14. The State does pledge to and covenant and agree with the  
44 holders of any bonds, notes, or other obligations of the trust issued  
45 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.)  
46 **or**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. , c. (C. )  
47 (pending before the Legislature as this bill) that the State shall not  
48 limit or alter the rights or powers vested in the trust to perform and

1 fulfill the terms of any agreement made with the holders of the  
2 bonds, notes, or other obligations or to fix, establish, charge, and  
3 collect any rents, fees, rates, payments, or other charges as may be  
4 convenient or necessary to produce sufficient revenues to meet all  
5 expenses of the trust and to fulfill the terms of any agreement made  
6 with the holders of bonds, notes, or other obligations, including the  
7 obligations to pay the principal of and interest and premium on  
8 those bonds, notes, or other obligations, with interest on any unpaid  
9 installments of interest, and all costs and expenses in connection  
10 with any action or proceedings by or on behalf of the holders, and  
11 shall not limit or alter the rights and powers of any local  
12 government unit to pay and perform its obligations owed to the trust  
13 in connection with loans received from the trust, until the bonds,  
14 notes, and other obligations of the trust, together with interest  
15 thereon, are fully met and discharged or provided for.

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

17

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

20 15. The State and all public officers, governmental units, and  
21 agencies thereof, all banks, trust companies, savings banks and  
22 institutions, building and loan associations, savings and loan  
23 associations, investment companies, and other persons carrying on a  
24 banking business, all insurance companies, insurance associations,  
25 and other persons carrying on an insurance business, and all  
26 executors, administrators, guardians, trustees, and other fiduciaries  
27 may legally invest any sinking funds, moneys, or other funds  
28 belonging to them or within their control in any bonds, notes, or  
29 other obligations issued pursuant to P.L.1985, c.334 (C.58:11B-1 et  
30 seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or P.L. \_\_\_\_\_,  
31 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), and those  
32 bonds, notes, or other obligations shall be authorized security for  
33 any and all public deposits.

34 (cf: P.L.1997, c.224, s.13)

35

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

38 17. All property of the trust is declared to be public property  
39 devoted to an essential public and governmental function and  
40 purpose and the revenues, income, and other moneys received or to  
41 be received by the trust shall be exempt from all taxes of the State  
42 or any political subdivision thereof. All bonds, notes, and other  
43 obligations of the trust issued pursuant to 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.),  
45 or P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (pending before the Legislature as this bill)  
46 are declared to be issued by a body corporate and politic of the  
47 State and for an essential public and governmental purpose and  
48 those bonds, notes, and other obligations, and interest thereon and

1 the income therefrom and from the sale, exchange, or other transfer  
2 thereof shall at all times be exempt from taxation, except for  
3 transfer inheritance and estate taxes.

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

5  
6 21. Section 18 of P.L.1985, c.334 (C.58:11B-18) is amended to  
7 read as follows:

8 18. a. If the trust defaults in the payment of principal of, or  
9 interest on, any issue of its bonds, notes, or other obligations after  
10 these are due, whether at maturity or upon call for redemption, and  
11 the default continues for a period of 30 days or if the trust defaults  
12 in any agreement made with the holders of any issue of bonds,  
13 notes, or other obligations, the holders of **[25%]** 25 percent in  
14 aggregate principal amount of the bonds, notes, or other obligations  
15 of the issue then outstanding, by instrument or instruments filed in  
16 the office of the clerk of any county in which the trust operates and  
17 has an office and proved or acknowledged in the same manner as  
18 required for a deed to be recorded, may direct a trustee to represent  
19 the holders of the bonds, notes, or other obligations of the issuers  
20 for the purposes herein provided.

21 b. Upon default, the trustee may, and upon written request of  
22 the holders of **[25%]** 25 percent in principal amount of the bonds,  
23 notes, or other obligations of the trust of a particular issue then  
24 outstanding shall, in **[his or its]** the trustee's own name:

25 (1) By suit, action or proceeding enforce all rights of the holders  
26 of bonds, notes, or other obligations of the issue, to require the trust  
27 to carry out any other agreements with the holders of the bonds,  
28 notes, or other obligations of the issue and to perform its duties  
29 under P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224  
30 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
31 Legislature as this bill);

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

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

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

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

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

47 (7) Declare all bonds, notes, or other obligations of the issue due  
48 and payable, and if all defaults are made good, then with the

1 consent of the holders of **【50%】** 50 percent of the principal amount  
2 of the bonds, notes or other obligations of the issue then  
3 outstanding, to annul the declaration and its consequences.

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

9 d. The Superior Court shall have jurisdiction over any suit,  
10 action, or proceeding by the trustees on behalf of the holders of  
11 bonds, notes, or other obligations of the trust. The venue of any  
12 suit, action, or proceeding shall be in the county in which the  
13 principal office of the trust is located.

14 e. Before declaring the principal of bonds, notes, or other  
15 obligations of the trust due and payable as a result of a trust default  
16 on any of its bonds, notes, or other obligations, the trustee shall first  
17 give 30 days' notice in writing to the trust and to the Governor,  
18 State Treasurer, President of the Senate, and Speaker of the General  
19 Assembly.

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

21

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

24 19. Sums of money received pursuant to the authority of  
25 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224  
26 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
27 Legislature as this bill), whether as proceeds from the sale of  
28 particular bonds, notes, or other obligations of the trust or as  
29 particular revenues or receipts of the trust, are deemed to be trust  
30 funds, to be held and applied solely as provided in the resolution or  
31 trust indenture under which the bonds, notes, or obligations are  
32 authorized or secured. Any officer with whom or any bank or trust  
33 company with which those sums of money are deposited as trustee  
34 thereof shall hold and apply the same for the purposes thereof,  
35 subject to any provision as the aforementioned acts and the  
36 resolution or trust indenture authorizing or securing the bonds,  
37 notes, or other obligations of the trust may provide.

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

39

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

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

45 b. No funds shall be expended by the trust for its annual  
46 operating expenses unless appropriated by law to the trust. Unless  
47 required to be otherwise applied pursuant to law, funds generated  
48 by the operation of the trust, including, but not limited to: proceeds

1 from the sale of the trust's bonds, notes, or other obligations;  
 2 revenues derived from investments by the trust; loan repayments  
 3 from local government units; and fees and charges levied by the  
 4 trust, may thereafter be applied in accordance with the provisions of  
 5 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224  
 6 (C.58:11B-10.1 et al.), or P.L. , c. (C. ) (pending before the  
 7 Legislature as this bill) for any corporate purpose of the trust  
 8 without appropriation; except that the funds shall only be used to  
 9 make loans or guarantees approved by the Legislature in accordance  
 10 with the provisions of sections 20, 21, and 22 of P.L.1985, c.334  
 11 (C.58:11B-20, C.58:11B-21, and C.58:11B-22), **【or】** sections 24,  
 12 25, and 26 of P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and  
 13 C.58:11B-22.1), or sections 27 and 31 of P.L. , c. (C. )  
 14 (pending before the Legislature as this bill).

15 c. The trust shall not apply for any federal funds, including  
 16 funds which are authorized pursuant to the "Federal Water Pollution  
 17 Control Act Amendments of 1972," **【Pub.L. 92-500】** (33 U.S.C.  
 18 s.1251 et **【al.】** seq.), and any amendatory or supplementary acts  
 19 thereto.

20 (d) The trust shall not apply for any federal funds for the State  
 21 Transportation Infrastructure Bank, including funds which are  
 22 authorized pursuant to the federal state infrastructure bank program  
 23 provided for in section 1602 of Pub.L.109-59 (23 U.S.C. s.610) as  
 24 amended or superseded, or other federal programs.

25 The trust, with the concurrence of the Commissioner of  
 26 Environmental Protection, may receive, accept, or utilize moneys  
 27 received from local government units as repayments of principal  
 28 and interest on loans made from the State Revolving Fund Accounts  
 29 established pursuant to section 1 of P.L.1988, c.133.  
 30 (cf: P.L.1997, c.224, s.20)

31  
 32 24. Section 25 of P.L.1985, c.334 (C.58:11B-25) is amended to  
 33 read as follows:

34 25. The trust shall establish the rules and regulations governing  
 35 the making and use of loans or guarantees, including, but not  
 36 limited to, procedures for the submission of loan guarantee  
 37 requests, standards for the evaluation of requests, provisions  
 38 implementing priority systems for projects, reporting requirements  
 39 of the recipient of any loan or guarantee concerning the progress  
 40 and the expenditure of funds, and limitations, restrictions, or  
 41 requirements concerning the use of loan funds as the trust shall  
 42 prescribe; provided that the rules and regulations shall be in  
 43 compliance with the terms and provisions 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.),  
 45 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
 46 relating to the making of or eligibility for loans or guarantees for  
 47 environmental infrastructure projects generally or for any particular

1 type or class of wastewater treatment system or water supply  
2 projects.

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

4  
5 25. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to  
6 read as follows:

7 26. a. The trust shall adopt the rules and regulations requiring a  
8 local government unit which receives a loan or guarantee for a  
9 project to establish an affirmative action program for the hiring of  
10 minority workers in the performance of any construction contract  
11 for that project and to establish a program to provide opportunities  
12 for socially and economically disadvantaged contractors and  
13 vendors to supply materials and services for the contract, consistent  
14 with the provisions of the "Law Against Discrimination," P.L.1945,  
15 c.169 (C.10:5-1 et seq.). Not less than **【10%】** 10 percent of the  
16 amount of any contract for construction, materials, or services for a  
17 project shall be awarded to small business concerns owned and  
18 controlled by socially and economically disadvantaged individuals  
19 as defined in section 8(a) and 8(d) of the "Small Business Act,"  
20 Pub.L.75-536 (15 U.S.C. s.637(a) and (d)), and any regulations  
21 promulgated pursuant thereto.

22 b. The trust shall adopt the rules and regulations requiring **【a**  
23 **local government unit】** any entity, which receives a loan, grant, or  
24 guarantee for a project to pay not less than the prevailing wage rate  
25 to workers employed in the performance of any construction  
26 contract for that project, in accordance with the rate determined by  
27 the Commissioner of Labor and Workforce Development pursuant  
28 to P.L.1963, c 150 (C.34:11-56.25 et seq.).

29 c. Every contract subject to the provisions of P.L.1985, c.334  
30 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
31 P.L. , c. (C. ) (pending before the Legislature as this bill),  
32 shall provide that every worker employed in the performance of that  
33 contract is an apprentice participating in a registered apprenticeship  
34 program or has completed a registered apprenticeship, unless the  
35 contractor or subcontractor certifies that every worker shall be paid  
36 not less than the journeyworker's rate established for the  
37 apprenticeable trade performed pursuant to P.L.1963, c.150  
38 (C.34:11-56.25 et al.). "Registered apprenticeship program" means  
39 an apprenticeship program which is registered with and approved  
40 by the United States Department of Labor and which provides each  
41 trainee with combined classroom and on-the-job training under the  
42 direct and close supervision of a highly skilled worker in an  
43 occupation recognized as an apprenticeable trade and meets the  
44 program performance standards of enrollment and graduation under  
45 29 C.F.R. section 29.6.

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

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

3       27. The trust shall adopt such rules and regulations as it deems  
4 necessary to effectuate the purposes of P.L.1985, c.334 (C.58:11B-1  
5 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), including  
6 those required pursuant to sections 25 and 26 of P.L.1985, c.334  
7 (C.58:11B-25 and 58:11B-26), or P.L. , c. (C. ) (pending  
8 before the Legislature as this bill), in accordance with the  
9 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
10 seq.).

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

12

13       27. (New section) a. There is established in the New Jersey  
14 Environmental Infrastructure Trust a special fund to be known as  
15 the State Transportation Infrastructure Bank Fund. There shall be  
16 established within the fund, two subaccounts:

17       (1) a federally funded subaccount that shall be approved to  
18 receive federal funds and related State matching funds pursuant to  
19 the federal State Infrastructure Bank program provided for in  
20 section 1602 of Pub.L.109-59 (23 U.S.C. s.610) as amended or  
21 superseded, and any other applicable federal laws regarding the use  
22 of federal funds for transportation projects; and

23       (2) a State-funded account that shall be approved to receive only  
24 State funds in excess of those required to be deposited in the  
25 federally-funded account. The State account shall be ineligible to  
26 receive any federal funds.

27       b. The State Transportation Infrastructure Bank Fund shall be  
28 credited with:

29       (1) (a) any State and federal funds sought and received by the  
30 Department of Transportation and appropriated to the federal  
31 account of the State Transportation Infrastructure Bank Fund  
32 pursuant to the federal State Infrastructure Bank program provided  
33 for in section 1602 of Pub.L.109-59 (23 U.S.C. s.610) as amended  
34 or superseded, and any other applicable federal laws regarding the  
35 use of federal funds for transportation projects; and

36       (b) State funds in excess of any minimum State match required  
37 under the federal State Infrastructure Bank program, appropriated to  
38 the State-only account of the State Infrastructure Bank Fund;

39       (2) monetary donations from public or private sources made  
40 available to the State to support the State Transportation  
41 Infrastructure Bank Fund;

42       (3) moneys received as repayment of the principal of and the  
43 interest or premium on loans made from the fund;

44       (4) any interest earnings received on the moneys in the fund;

45       (5) private investment funds which seek a return on investment  
46 from the trust; and

47       (6) any other moneys the Legislature may appropriate to the  
48 trust for deposit into the fund at any time to finance or refinance



1 transportation loans issued from the State Transportation  
2 Infrastructure Bank Fund.

3 c. Notwithstanding any provision of P.L.1985, c.334  
4 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) or  
5 P.L. , c. (C. ) (pending before the Legislature as this bill) to  
6 the contrary, all moneys placed into the State Transportation  
7 Infrastructure Bank Fund shall be held separate from other funds of  
8 the trust, and no transportation funds shall be combined or  
9 comingled with any funds that finance: (1) wastewater treatment  
10 system projects; (2) water supply projects; (3) other environmental  
11 infrastructure projects; or (4) energy projects, that are not  
12 transportation projects.

13 d. All moneys placed into the State-funded subaccount of the  
14 State Transportation Infrastructure Bank Fund shall be held separate  
15 from any federal funds provided for the federal account of the State  
16 Transportation Infrastructure Bank Fund.

17 e. Notwithstanding any provision of P.L.1985, c.334  
18 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
19 P.L. , c. (C. ) (pending before the Legislature as this bill) to  
20 the contrary, the trust may provide loans or other assistance to any  
21 local government unit or consortia thereof for the purpose of  
22 financing all or a portion of the costs incurred for the planning,  
23 acquisition, engineering, construction, reconstruction, repair, and  
24 rehabilitation of a transportation project, including emergency or  
25 disaster relief transportation projects, or for any other purpose  
26 permitted under the federal state infrastructure bank program,  
27 including but not limited to projects which support pedestrian  
28 infrastructure.

29 f. In addition to the financing authorized pursuant to  
30 subsection e. of this section, a portion, not to exceed 20 percent, of  
31 the assistance provided from the State-funded subaccount of the  
32 State Transportation Infrastructure Bank Fund may be issued in the  
33 form of grants.

34 g. Loans or other assistance granted pursuant to this section  
35 shall be considered an investment or reinvestment by the State  
36 Transportation Infrastructure Bank Fund consistent with the federal  
37 state infrastructure bank program or any other applicable federal  
38 laws regarding the use of federal funds on transportation projects as  
39 permitted pursuant to federal law, and not a loan within the  
40 meaning of section 12 of P.L.1995, c.108 (C.27:1B-21.5).

41 h. The refinancing of an existing transportation project shall  
42 not be an eligible form of assistance from the State Transportation  
43 Infrastructure Bank Fund, and a loan shall not be granted for an  
44 existing transportation project unless the applicant can demonstrate  
45 to the satisfaction of the trust that the assistance being sought is not  
46 for the refinancing of an existing transportation project.

47 i. A project, the use or purpose of which is private and for  
48 which no public benefit is created, as determined by the

1 Commissioner of Transportation shall not be eligible for financial  
2 assistance from the authority.

3 j. The trust shall consider the following factors when setting an  
4 interest rate or a loan provided pursuant to this section: (1) the  
5 current market rates for comparable obligations; (2) the nature of  
6 the project; (3) the financing structure of the project; and (4) the  
7 creditworthiness of the borrower.

8 k. The repayment schedule for each project shall require: (1)  
9 the repayment of the loan commencing not later than five years  
10 after the project has been completed or, in the case of a highway  
11 project, when the facility has opened to traffic, whichever is later;  
12 and (2) a final maturity date of not more than 35 years following the  
13 completion of the project.

14 l. The trust may establish or direct the establishment of federal  
15 and State accounts or subaccounts as may be necessary to meet any  
16 applicable federal law requirements or that may be desirable for the  
17 efficient administration of the program.

18

19 28. (New section) a. The trust shall maintain the administrative  
20 responsibilities for financing projects approved for assistance  
21 through the State Transportation Infrastructure Bank Fund in  
22 accordance with the provisions of the federal State Infrastructure  
23 Bank program, any other applicable federal laws regarding the use  
24 of federal funds on transportation projects, as well as any provision  
25 of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
26 (C.58:11B-10.1 et al.), and P.L. , c. (C. ) (pending before  
27 the Legislature as this bill), and is authorized to enter into  
28 agreements with any local government unit or consortia thereof for  
29 the use of monies from the State Transportation Infrastructure Bank  
30 Fund to provide loans or other assistance for the purpose of  
31 financing all or a portion of the costs incurred for the planning,  
32 acquisition, engineering, construction, reconstruction, repair, and  
33 rehabilitation of a transportation project or for any other purpose  
34 permitted under the federal State Infrastructure Bank Program. The  
35 terms of the agreements shall be consistent with the requirements of  
36 the federal State Infrastructure Bank Program and the trust may  
37 adopt rules and regulations to carry out these functions.

38 b. The Department of Transportation shall be solely  
39 responsible for seeking federal funds pursuant to the federal state  
40 infrastructure bank program provided for in section 1602 of  
41 Pub.L.109-59 (23 U.S.C. s.610) as amended or superseded and any  
42 other applicable federal laws regarding the use of federal funds for  
43 transportation projects, and is authorized to enter into agreements  
44 with such federal agencies as required.

45 c. The Department of Transportation shall be responsible for  
46 all aspects of managing the State Transportation Infrastructure Bank  
47 program, with the exception of the financial administration  
48 responsibilities assigned to the trust as described in subsection a. of

1 this section. The Department of Transportation shall develop a  
2 memorandum of understanding with the trust for purposes  
3 including, but not limited to, assigning responsibility for the  
4 evaluation of potential transportation projects, fulfilling federal  
5 regulations regarding capital projects, coordinating with  
6 metropolitan planning organizations, ensuring that any projects  
7 obtaining assistance are consistent with the Statewide capital  
8 investment strategy, and advancing local, regional, and Statewide  
9 transportation objectives.

10  
11 29. (New section) a. The Commissioner of Transportation  
12 shall, for each fiscal year, develop a priority system for candidate  
13 transportation projects for loans or grants under the State  
14 Transportation Infrastructure Bank Fund. The Commissioner of  
15 Transportation shall set forth a Department of Transportation  
16 project priority list for funding by the trust for each fiscal year and  
17 shall include the aggregate amount of funds of the trust to be  
18 authorized for these purposes. The commissioner may include a  
19 transportation project on the Department of Transportation project  
20 priority list if it meets the eligibility requirements for funding  
21 pursuant to the “Moving Ahead for Progress in the 21<sup>st</sup> Century  
22 Act, (MAP 21)” Pub.L.112-141, or any successor legislation. The  
23 Department of Transportation project priority list shall include a  
24 description of each project and an explanation of the manner in  
25 which projects were ranked. The priority system and Department of  
26 Transportation project priority list for the ensuing fiscal year shall  
27 be submitted to the Legislature on or before March 15 of each year.

28 b. The project priority list established pursuant to subsection a.  
29 of this section shall be considered by the budget committees of each  
30 House of the Legislature for inclusion in the annual appropriations  
31 act. On or before July 1 of each year, the Legislature shall include  
32 the Department of Transportation project priority list with any  
33 modifications in the annual appropriations act, including any  
34 amendatory or supplementary provisions thereto, which shall  
35 include the authorization of an aggregate amount of funds of the  
36 trust to be expended for loans and guarantees for the specific  
37 transportation projects, including the individual amounts therefor,  
38 on the list.

39 c. The trust shall not expend any money for a loan or guarantee  
40 during a fiscal year for any transportation project unless the  
41 expenditure is authorized pursuant to a State annual appropriations  
42 act of the current or immediately preceding three fiscal years, as  
43 provided in the provisions of this section, or as otherwise set forth  
44 in the State’s annual appropriations act.

45 d. The source of projects for the project priority list shall be:  
46 (1) applications made by local government units seeking aid  
47 through the State Transportation Infrastructure Bank Fund in  
48 accordance with section 25 of P.L.1984, c.73 (C.27:1B-25) and the

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

10  
11 30. (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 project priority  
15 list approved pursuant to section 29 of P.L. , c. (C. )  
16 (pending before the Legislature as this bill) or as otherwise  
17 approved by the Legislature. The financial plan shall list the bonds,  
18 notes, or other obligations of the trust which the trust intends to  
19 issue, including the amounts and the terms and conditions thereof, a  
20 list of loans to be made to local government units or private  
21 persons, including the terms and conditions and the anticipated rate  
22 of interest per annum and repayment schedule therefor, and a list of  
23 loan guarantees or contracts to guarantee the payment of all or a  
24 portion of the principal and interest on bonds, notes, or other  
25 obligations issued by a local government unit to finance the cost of  
26 a transportation project, and the terms and conditions thereof.

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

37 b. On or before June 15 of each year, the Legislature may  
38 approve the financial plan by passing a concurrent resolution of  
39 both houses. If the Legislature does not approve the financial plan  
40 required pursuant to subsection a. of this section, the project list  
41 shall be removed from the annual appropriations act and the trust  
42 shall not undertake any of the proposed activities contained therein.  
43 If the Legislature takes no action, the financial plan shall be deemed  
44 not approved.

45 c. The financial plan for the State Transportation Infrastructure  
46 Bank Fund shall not be eligible for inclusion in a consolidated  
47 financial plan as established in section 27 of P.L.1997, c.224  
48 (C.58:11B-22.2).

- 1       31. (New section) a. There is established in the New Jersey  
2 Environmental Infrastructure Trust a special fund to be known as  
3 the “Clean Energy and Infrastructure Modernization Fund.” The  
4 Clean Energy and Infrastructure Modernization Fund shall be  
5 credited with:
- 6       (1) monetary contributions or donations made available to the  
7 State by any source, including, without limitation, any federal  
8 source, including, without limitation, the Department of Energy, to  
9 support the Clean Energy and Infrastructure Modernization Fund;
- 10       (2) moneys deposited in the fund as administrative fees received  
11 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334  
12 (C.58:11B-5);
- 13       (3) moneys received as repayment of the principal of and the  
14 interest or premium on loans made from the fund;
- 15       (4) any interest earnings received on the moneys in the fund;
- 16       (5) such other moneys, including, without limitation, moneys  
17 from the General Fund or the Clean Energy Fund, as the Legislature  
18 may appropriate to the trust for deposit into the fund at any time to  
19 finance or refinance energy loans or grants issued from the Clean  
20 Energy and Infrastructure Modernization Fund;
- 21       (6) the proceeds of any bonds, notes, or other obligations that  
22 may be issued by the trust from time to time in any principal  
23 amounts as in the judgment of the trust shall be necessary or  
24 appropriate to provide sufficient funds for deposit into the Clean  
25 Energy and Infrastructure Modernization Fund;
- 26       (7) private investment funds which seek a return on investment  
27 from the trust; and,
- 28       (8) any other source of available funds that may be deemed by  
29 the trust to be necessary or appropriate to provide sufficient funds  
30 for deposit into the Clean Energy and Infrastructure Modernization  
31 Fund for the purposes set forth in this section.
- 32       b. Notwithstanding any provision of P.L.1985, c.334  
33 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
34 P.L. , c. (C. ) (pending before the Legislature as this bill) to  
35 the contrary, all moneys placed into the Clean Energy and  
36 Infrastructure Modernization Fund shall be held separate from other  
37 funds of the trust, and no moneys deposited into the Clean Energy  
38 and Infrastructure Modernization Fund may be combined or  
39 comingled with any funds that finance: (1) wastewater treatment  
40 system projects; (2) water supply projects; (3) transportation  
41 projects; or (4) other environmental infrastructure projects that are  
42 not energy projects.
- 43       c. Notwithstanding any provision of P.L.1985, c.334  
44 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
45 P.L. , c. (C. ) (pending before the Legislature as this bill) to  
46 the contrary, the trust may make loans or provide other assistance to  
47 public or private entities or consortia thereof for the purpose of  
48 financing all or a portion of the costs incurred with respect to an

1 energy project as defined pursuant to section 3 of P.L.1985,  
2 c.334 (C.58:11B-3).

3 d. In addition to the financing provided in subsection c. of this  
4 section, assistance provided from legislative appropriations to the  
5 Clean Energy and Infrastructure Modernization Fund may be  
6 provided in the form of grants for energy projects.

7 e. The refinancing of an existing energy or utility project shall  
8 not be an eligible form of assistance from the Clean Energy and  
9 Infrastructure Modernization Fund, and a loan shall not be granted  
10 unless the applicant can demonstrate to the satisfaction of the trust  
11 that the assistance being sought is not for the refinancing of an  
12 existing energy or utility project.

13 f. Any project, the use or purpose of which is private and for  
14 which no public benefit is created shall not be eligible for financial  
15 assistance from the trust.

16 g. The trust shall consider the following factors when  
17 establishing an interest rate for a loan provided pursuant to this  
18 section: (1) the current market rates for comparable obligations; (2)  
19 the nature of the project; (3) the financing structure of the project;  
20 (4) the amount of public benefit to be realized from the project; and  
21 (5) the creditworthiness of the borrower.

22 h. The trust may establish or direct the establishment of  
23 accounts or subaccounts as may be: (1) necessary to meet any  
24 applicable State or federal law requirements; or (2) deemed by the  
25 trust to be desirable for the efficient administration of the trust.

26

27 32. (New section) a. The trust shall provide administrative  
28 responsibilities for the financing of energy projects approved for  
29 assistance through the Clean Energy and Infrastructure  
30 Modernization Fund in accordance with the provisions of P.L.1985,  
31 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
32 and P.L. , c. (C. ) (pending before the Legislature as this  
33 bill), and is authorized to enter into agreements with public or  
34 private entities or consortia thereof for the use of monies from the  
35 Clean Energy and Infrastructure Modernization Fund to provide  
36 loans or other assistance for the purpose of financing all or a  
37 portion of the costs incurred with respect to eligible energy projects.  
38 The trust may adopt rules and regulations to carry out these  
39 functions as it deems necessary.

40 b. The trust shall develop a memorandum of understanding  
41 with the Board of Public Utilities for purposes including, but not  
42 limited to: (1) evaluating and ranking potential eligible utility and  
43 energy projects; (2) complying with federal and State regulations  
44 regarding capital projects; (3) coordinating with local government  
45 units and public utilities; (4) ensuring that any projects obtaining  
46 assistance are consistent with the State Energy Master Plan; and (5)  
47 advancing local, regional, and Statewide energy objectives.

1       c. The trust shall establish a formal process for reviewing,  
2       evaluating, and ranking applicants for grant or loan funding from  
3       the Clean Energy and Infrastructure Modernization Fund. The  
4       process of selecting loan and grant recipients shall be a  
5       collaborative effort between the trust and the Board of Public  
6       Utilities. The role of the Board of Public Utilities is to evaluate the  
7       merits of the projects in advancing Statewide energy and utility  
8       objectives and the value such projects would contribute to the State.  
9       The role of the trust is to evaluate the financial merits of the eligible  
10      energy projects and the applicants with respect thereto.

11

12      33. (New section) Nothing in this act shall decrease, diminish,  
13      lessen, or otherwise reduce allocations made to counties and  
14      municipalities pursuant to P.L.1984, c.73 (C.27:1B-25 et seq.).

15

16      34. (New section) Nothing in this act shall decrease, diminish,  
17      lessen, or otherwise reduce any annual appropriations made to the  
18      Department of Transportation by the Federal Highway  
19      Administration through the Federal-aid Highway Program  
20      authorized pursuant to the "Moving Ahead for Progress in the 21st  
21      Century Act (MAP 21)," Pub.L.112-141, as amended or superseded,  
22      unless approved by the Commissioner of Transportation.

23

24      35. P.L.1997, c.142 (C.27:1B-21.10 through C.27:1B-21.13) is  
25      repealed.

26

27      36. This act shall take effect immediately, but the provisions  
28      relating to the financing of transportation projects shall be  
29      inoperative until the State Transportation Infrastructure Bank Fund  
30      is credited with monies pursuant to subsection b. of section 27 of  
31      P.L. , c. (C. ) (pending before the Legislature as this bill).

32

33

34

#### STATEMENT

35

36      This bill repeals the statutory language creating the existing State  
37      Transportation Infrastructure Bank, and establishes two special  
38      nonlapsing, revolving funds within the New Jersey Environmental  
39      Infrastructure Trust (trust) to be known as the State Transportation  
40      Infrastructure Bank Fund (transportation bank) and the Clean  
41      Energy and Infrastructure Modernization Fund (energy bank). The  
42      transportation bank replaces the State Transportation Infrastructure  
43      Bank that was a subaccount of the Special Transportation Trust  
44      Fund.

45      The bill expands the trust's current mission to include  
46      transportation and energy projects. Currently, the trust is involved  
47      with water and environmental infrastructure projects. The bill  
48      requires that funds and accounts of the trust be segregated to

1 prevent the mixing of transportation moneys, energy moneys, and  
2 water or environmental infrastructure moneys.

3 The bill permits the trust to issue bonds in maturities of up to 30  
4 years for all types of projects and creates an interim financing  
5 program for transportation and energy projects to mirror the  
6 existing interim financing program for water and environmental  
7 projects.

8

9 *Transportation Bank*

10

11 Federal law requires states to establish a state transportation  
12 infrastructure bank fund to be a depository for federal transportation  
13 infrastructure bank monies. The federal program allows states to  
14 enter into agreements where monies in the state transportation  
15 infrastructure bank may be loaned or used to provide other financial  
16 assistance to public or private entities for the planning, acquisition,  
17 engineering, construction, reconstruction, repair, and rehabilitation  
18 of a transportation project or for any other permitted purpose.

19 The transportation bank may be credited with State  
20 appropriations, federal fund allocations, proceeds from privately  
21 negotiated bond sales, monetary donations made available to the  
22 State to support the transportation bank program, and any principle  
23 and interest received as loan repayment or otherwise provided  
24 pursuant to the program.

25 The bill also establishes an account within the fund that only  
26 receives State funds so that grants can be issued, including for  
27 pedestrian infrastructure projects, without violating the terms of the  
28 federal program. The federal program only permits infrastructure  
29 banks to make loans to transportation projects. The program will be  
30 administered by the trust with assistance from the Department of  
31 Transportation (DOT). The Commissioner of DOT will become an  
32 ex-officio member of the board of trustees for the trust, and the  
33 DOT will be responsible for establishing the list of projects that the  
34 trust will finance and the priority order in which they will be  
35 funded. The trust is also directed to collaborate with the DOT on  
36 the evaluation of potential transportation projects; fulfilling federal  
37 regulations regarding capital projects; coordinating with  
38 metropolitan planning organizations; ensuring that projects are  
39 consistent with the Statewide capital investment strategy; and  
40 advancing local, regional, and Statewide transportation objectives.

41 The bill provides that the Legislature consider the full DOT  
42 project list through the Senate and General Assembly budget  
43 committees before the list is included in the annual appropriations  
44 act. The Legislature will also receive a copy of the transportation  
45 financial plan developed by the trust for the implementation of the  
46 financing of the DOT project list. The Legislature will have until  
47 June 15th to approve the transportation financial plan through a  
48 concurrent resolution. If the transportation financial plan is not



1 approved by June 15, the project list will be removed from the  
2 appropriations act, and the trust will not undertake any proposed  
3 activities included in the project list.  
4

5 *Energy Bank*  
6

7 The energy bank established by the bill is permitted to issue  
8 loans for the acquisition, construction, repair, or reconstruction of  
9 all or part of any structure, facility or equipment, or real or personal  
10 property necessary for or ancillary to: the production, collection,  
11 storage, improvement, distribution, maintenance, transmission,  
12 supply, consumption, or conservation of Class I renewable energy,  
13 Class II renewable energy, and gas energy; or the relocation of  
14 power lines underground.

15 The energy bank account may be credited with federal funds,  
16 State appropriations, or bond proceeds from public or privately  
17 negotiated bond sales.

18 The energy bank will be able to issue both loans and grants and  
19 will work with the Board of Public Utilities to develop a formal  
20 process for reviewing, evaluating, and ranking applicants for grant  
21 or loan funding. The energy bank will not have a formal annual  
22 project list or financial plan.

23 The bill is effective immediately, but will remain inoperative  
24 until State, Federal, or other private funds are provided to capitalize  
25 the banks.