ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4298

STATE OF NEW JERSEY

DATED: JUNE 26, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4298.

This bill would authorize the New Jersey Infrastructure Bank (NJIB) (formerly the New Jersey Environmental Infrastructure Trust) to expend up to $1.168 billion and any unexpended balances from previous authorizations to provide loans with an interest rate at or below the prevailing market rate to project sponsors (primarily local governments, public authorities, or public water utilities) for a portion of the total costs of 174 eligible environmental infrastructure projects. The eligible projects are those included in the "Storm Sandy and State Fiscal Year 2021 Clean Water Project Priority List" and the "State Fiscal Year 2021 Drinking Water Project Priority List," as well as five clean water projects and two drinking water projects that received a loan in the past and which now require a supplemental loan in order to meet actual costs.

In addition to the use of prior unused allocations, this bill also permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, bond issuance expenses and related amounts, to fund the State Fiscal Year 2021 New Jersey Environmental Infrastructure Financing Program (NJEIFP).

This bill would also provide loan financing from the NJIB for the balance of the allowable project costs of four eligible clean water projects partially funded from the "Pinelands Infrastructure Trust Fund" established pursuant to the "Pinelands Infrastructure Trust Bond Act of 1985", P.L.1985, c. 302.

As reported by the committee, Assembly Bill No. 4298 is identical to Senate Bill No. 2498, which also was reported by the committee on this date.

FISCAL IMPACT:

This bill authorizes the New Jersey Environmental Infrastructure Trust to expend up to $1.168 billion and any unexpended balances from previous authorizations to provide loans with an interest rate at or below the prevailing market rate to project sponsors for a portion of the total costs of 174 eligible environmental infrastructure projects.