

[Second Reprint]

ASSEMBLY, No. 5018

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 19, 2020

Sponsored by:

Assemblywoman ANNETTE CHAPARRO

District 33 (Hudson)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

Assemblywoman Murphy, Assemblyman Conaway, Senators Ruiz and Turner

SYNOPSIS

Requires DEP to prioritize funding for environmental infrastructure projects for applicants with established program to employ, at project or related facilities, local residents or residents of nearby urban aid qualifying municipalities.

CURRENT VERSION OF TEXT

As reported by the Senate Environment and Energy Committee on November 15, 2021, with amendments.

(Sponsorship Updated As Of: 12/20/2021)

1 AN ACT concerning environmental infrastructure projects and
2 amending P.L.1985, c.334 ¹and P.L.1997, c.224¹ .

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 ¹[1. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to
8 read as follows:

9 26. a. The trust shall adopt rules and regulations requiring a
10 local government unit which receives a loan or guarantee for a
11 project to establish an affirmative action program for the hiring of
12 minority workers in the performance of any construction contract
13 for that project and to establish a program to provide opportunities
14 for socially and economically disadvantaged contractors and
15 vendors to supply materials and services for the contract, consistent
16 with the provisions of the “Law Against Discrimination,” P.L.1945,
17 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of
18 any contract for construction, materials or services for a project
19 shall be awarded to small business concerns owned and controlled
20 by socially and economically disadvantaged individuals as defined
21 in the “Small Business Act,” Pub.L.85-536 (15 U.S.C. s.631 et
22 seq.), and any regulations promulgated pursuant thereto provided,
23 however, that the projects funded, in whole or in part, with federal
24 funds, the percentage of such contracts awarded to small business
25 concerns owned and controlled by socially and economically
26 disadvantaged individuals shall equal the goal for participation set
27 forth in section 644(g)(1)(A)(iv) of the “Small Business Act,”
28 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing
29 program projects funded in whole with State funds, contracts for
30 construction materials or services shall comply with the small
31 business set aside regulations promulgated pursuant to section 15 of
32 P.L.1983, c.482 (C.52:32-31).

33 b. The trust shall adopt rules and regulations requiring any
34 entity, which receives a loan, grant, or guarantee for a project to pay
35 not less than the prevailing wage rate to workers employed in the
36 performance of any construction contract for that project, in
37 accordance with the rate determined by the Commissioner of Labor
38 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-
39 56.25 et seq.).

40 c. The trust shall adopt rules and regulations that provide an
41 incentive for any entity, which receives a loan, grant, or guarantee
42 for an environmental infrastructure project that, where feasible,
43 employs applicants that reside in the municipality in which the
44 project is located or in the service area for the project. The

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ANR committee amendments adopted January 27, 2021.

²Senate SEN committee amendments adopted November 15, 2021.

1 incentive provided pursuant to this subsection may include, but is
2 not limited to, priority in the ranking criteria or prioritization
3 methodology for projects or a financial incentive such as principal
4 forgiveness.

5 (cf: P.L.2019, c.194, s.6)]¹

6
7 ²[¹1. Section 20 of P.L.1985, c.334 (C.58:11B-20) is
8 amended to read as follows:

9 20. a. (1) The Commissioner of Environmental Protection shall
10 for each fiscal year develop a priority system for wastewater
11 treatment systems and shall establish the ranking criteria and
12 funding policies for the clean water projects to be financed by the
13 New Jersey Environmental Infrastructure Financing Program. The
14 commissioner shall set forth an Interim Clean Water Financing
15 Program Project Priority List, hereinafter referred to as the "clean
16 water project priority list," for funding by the trust for each fiscal
17 year and shall include the aggregate amount of funds of the trust to
18 be authorized for these purposes. The clean water project priority
19 list may include any stormwater management or combined sewer
20 overflow abatement project identified in the stormwater
21 management and combined sewer overflow abatement project
22 priority list adopted by the commissioner pursuant to section 28 of
23 P.L.1989, c.181.

24 The clean water project priority list, which shall include for each
25 wastewater treatment system the date each project is scheduled to
26 be certified as ready for funding, shall be in conformance with
27 applicable provisions of the "Federal Water Pollution Control Act
28 Amendments of 1972," Pub.L.92-500 (33 U.S.C. s.1251 et al.), and
29 any amendatory or supplementary acts thereto, and State law, or in
30 the case of a wastewater treatment system project for the reduction
31 of lead in a publicly-owned facility, conformance with requirements
32 established by the Department of Environmental Protection for
33 those projects. The clean water project priority list shall include a
34 description of each project and its purpose, impact, cost, and
35 construction schedule, and an explanation of the manner in which
36 priorities were established. The department shall, to the extent
37 consistent with federal law, assign additional priority points to
38 project applicants with an established program to employ at the
39 project facility, or at related offices or facilities, persons who reside
40 in the municipality in which the project is located, the service area
41 of the project, or in surrounding municipalities that meet the criteria
42 for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).
43 The priority system and clean water project priority list for the
44 ensuing fiscal year shall be submitted to the Secretary of the Senate
45 and the Clerk of the General Assembly on or before January 15 of
46 each year. The Secretary and the Clerk shall cause the date of
47 submission to be entered upon the Senate Journal and the Minutes
48 of the General Assembly, respectively. Incremental revisions or

1 supplements to the clean water project priority list may be
2 submitted to the Legislature as provided in subsection d. of section
3 9 of P.L.1985, c.334 (C.58:11B-9).

4 (2) The commissioner shall set forth a clean water project
5 eligibility list for long-term funding by the trust and shall include
6 the aggregate amount of funds to be authorized for these purposes.
7 The clean water project eligibility list shall consist of clean water
8 project priority list projects certified by the department that have
9 commenced construction and demonstrated a high likelihood of
10 construction completion on or before the end of the ensuing fiscal
11 year. On or before May 15 of each year, the trust shall submit the
12 clean water project eligibility list for the ensuing fiscal year,
13 including any revision thereof or supplement thereto, to be
14 introduced in each House in the form of legislative appropriations
15 bills, which shall be referred to the Senate Environment and Energy
16 Committee and the Assembly Environment and Solid Waste
17 Committee, or their successors, for their respective consideration.
18 On or before October 15 of each year the trust may submit an
19 additional clean water project eligibility list, to be introduced in
20 each House in the form of legislative appropriations bills, which
21 shall be referred to the Senate Environment and Energy Committee
22 and the Assembly Environment and Solid Waste Committee, or
23 their successors, for their respective consideration.

24 b. The Senate Environment and Energy Committee and the
25 Assembly Environment and Solid Waste Committee shall, either
26 individually or jointly, consider the legislation containing the clean
27 water project eligibility list, and shall report the legislation, together
28 with any modifications, out of committee for consideration by each
29 House of the Legislature. On or before July 1 of each year, the
30 Legislature shall approve an appropriations act containing the clean
31 water project eligibility list, including any amendatory or
32 supplementary provisions thereto, which act shall include the
33 authorization of an aggregate amount of funds of the trust to be
34 expended for long-term loans and guarantees for the specific
35 projects, including the individual amounts therefor, on the list.

36 c. The trust shall not expend any money for a long-term loan or
37 guarantee during a fiscal year for any wastewater treatment system
38 project unless the expenditure is authorized pursuant to an
39 appropriations act as provided in the provisions of this section, or as
40 otherwise set forth in an appropriations act.

41 d. The trust shall submit to the Secretary of the Senate and the
42 Clerk of the General Assembly on or before January 15 of each year
43 a report which shall identify the wastewater treatment system
44 projects financed during the prior fiscal year, including a project
45 description, the amount of the loan provided for each project, and
46 the duration of each loan.¹

47 (cf: P.L.2017, c.144, s.8) **I**²

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

3 20. a. (1) The Commissioner of Environmental Protection shall
4 for each fiscal year develop a priority system for wastewater treatment
5 systems and shall establish the ranking criteria and funding policies for
6 the clean water projects to be financed by the New Jersey
7 Environmental Infrastructure Financing Program. The commissioner
8 shall set forth an Interim Clean Water Financing Program Project
9 Priority List, hereinafter referred to as the "clean water project priority
10 list," for funding by the trust for each fiscal year and shall include the
11 aggregate amount of funds of the trust to be authorized for these
12 purposes. The clean water project priority list may include any
13 stormwater management or combined sewer overflow abatement
14 project identified in the stormwater management and combined sewer
15 overflow abatement project priority list adopted by the commissioner
16 pursuant to section 28 of P.L.1989, c.181.

17 The clean water project priority list, which shall include for each
18 wastewater treatment system the date each project is scheduled to be
19 certified as ready for funding, shall be in conformance with applicable
20 provisions of the "Federal Water Pollution Control Act Amendments
21 of 1972," Pub.L.92-500 (33 U.S.C. s.1251 et al.), and any amendatory
22 or supplementary acts thereto, and State law, or in the case of a
23 wastewater treatment system project for the reduction of lead in a
24 publicly-owned facility, conformance with requirements established
25 by the Department of Environmental Protection for those projects or,
26 in the case of a wastewater treatment system project financed through
27 another source of funds, conformance with the requirements
28 established by the department and the other source of funds for that
29 project. The clean water project priority list shall include a description
30 of each project and its purpose, impact, cost, and construction
31 schedule, and an explanation of the manner in which priorities were
32 established. The department shall, to the extent consistent with federal
33 law, assign additional priority points to project applicants with an
34 established program to employ at the project facility, or at related
35 offices or facilities, persons who reside in the municipality in which
36 the project is located, the service area of the project, or in surrounding
37 municipalities that meet the criteria for State aid pursuant to P.L.1978,
38 c.14 (C.52:27D-178 et seq.). The priority system and clean water
39 project priority list for the ensuing fiscal year shall be submitted to the
40 Secretary of the Senate and the Clerk of the General Assembly on or
41 before January 15 of each year. The Secretary and the Clerk shall
42 cause the date of submission to be entered upon the Senate Journal and
43 the Minutes of the General Assembly, respectively. Incremental
44 revisions or supplements to the clean water project priority list may be
45 submitted to the Legislature as provided in subsection d. of section 9
46 of P.L.1985, c.334 (C.58:11B-9).

47 (2) The commissioner shall set forth a clean water project
48 eligibility list for long-term funding by the trust and shall include the

1 aggregate amount of funds to be authorized for these purposes. The
2 clean water project eligibility list shall consist of clean water project
3 priority list projects certified by the department that have commenced
4 construction and demonstrated a high likelihood of construction
5 completion on or before the end of the ensuing fiscal year. On or
6 before May 15 of each year, the trust shall submit the clean water
7 project eligibility list for the ensuing fiscal year, including any revision
8 thereof or supplement thereto, to be introduced in each House in the
9 form of legislative appropriations bills, which shall be referred to the
10 Senate Environment and Energy Committee and the Assembly
11 Environment and Solid Waste Committee, or their successors, for their
12 respective consideration. On or before October 15 of each year the
13 trust may submit an additional clean water project eligibility list, to be
14 introduced in each House in the form of legislative appropriations
15 bills, which shall be referred to the Senate Environment and Energy
16 Committee and the Assembly Environment and Solid Waste
17 Committee, or their successors, for their respective consideration.

18 b. The Senate Environment and Energy Committee and the
19 Assembly Environment and Solid Waste Committee shall, either
20 individually or jointly, consider the legislation containing the clean
21 water project eligibility list, and shall report the legislation, together
22 with any modifications, out of committee for consideration by each
23 House of the Legislature. On or before July 1 of each year, the
24 Legislature shall approve an appropriations act containing the clean
25 water project eligibility list, including any amendatory or
26 supplementary provisions thereto, which act shall include the
27 authorization of an aggregate amount of funds of the trust to be
28 expended for long-term loans and guarantees for the specific projects,
29 including the individual amounts therefor, on the list.

30 c. The trust shall not expend any money for a long-term loan or
31 guarantee during a fiscal year for any wastewater treatment system
32 project unless the expenditure is authorized pursuant to an
33 appropriations act as provided in the provisions of this section, or as
34 otherwise set forth in an appropriations act.

35 d. The trust shall submit to the Secretary of the Senate and the
36 Clerk of the General Assembly on or before January 15 of each year a
37 report which shall identify the wastewater treatment system projects
38 financed during the prior fiscal year, including a project description,
39 the amount of the loan provided for each project, and the duration of
40 each loan.²

41 (cf: P.L.2021, c.74, s.10)

42

43 ²[¹2. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is
44 amended to read as follows:

45 24. a. (1) The Commissioner of Environmental Protection shall
46 for each fiscal year develop a priority system for water supply
47 projects and shall establish the ranking criteria and funding policies
48 for the water supply projects to be financed by the New Jersey

1 Environmental Infrastructure Financing Program. The
2 commissioner shall set forth an Interim Drinking Water Financing
3 Program Project Priority List, hereinafter referred to as the
4 "drinking water project priority list," for funding by the trust for
5 each fiscal year and shall include the aggregate amount of funds of
6 the trust to be authorized for these purposes. The commissioner
7 may include a water supply project on the drinking water project
8 priority list if it is eligible for funding under the "Water Supply
9 Bond Act of 1981," P.L.1981, c.261, as amended, meets the
10 eligibility requirements for funding pursuant to the federal "Safe
11 Drinking Water Act Amendments of 1996," Pub.L.104-182, or, in
12 the case of a water supply project for the reduction of lead in a
13 publicly-owned facility, the project meets the eligibility
14 requirements established by the Department of Environmental
15 Protection for those projects. The drinking water project priority list
16 shall include a description of each project and an explanation of the
17 manner in which priorities were established. The department shall,
18 to the extent consistent with federal law, assign additional priority
19 points to project applicants with an established program to employ
20 at the project facility, or at related offices or facilities, persons who
21 reside in the municipality in which the project is located, the service
22 area of the project, or in surrounding municipalities that meet the
23 criteria for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et
24 seq.). The priority system and drinking water project priority list
25 for the ensuing fiscal year shall be submitted to the Secretary of the
26 Senate and the Clerk of the General Assembly on or before January
27 15 of each year. The Secretary and the Clerk shall cause the date of
28 submission to be entered upon the Senate Journal and the Minutes
29 of the General Assembly, respectively. Incremental revisions or
30 supplements to the drinking water project priority list may be
31 submitted to the Legislature as provided in subsection d. of section
32 9 of P.L.1985, c.334 (C.58:11B-9).

33 (2) The commissioner shall set forth a drinking water project
34 eligibility list for long-term funding by the trust and shall include
35 the aggregate amount of funds to be authorized for these purposes.
36 The drinking water project eligibility list shall consist of drinking
37 water project priority list projects certified by the department that
38 have commenced construction and demonstrated a high likelihood
39 of construction completion on or before the end of the ensuing
40 fiscal year. On or before May 15 of each year, the trust shall submit
41 the drinking water project eligibility list for the ensuing fiscal year,
42 including any revision thereof or supplement thereto, to be
43 introduced in each House in the form of legislative appropriations
44 bills, which shall be referred to the Senate Environment and Energy
45 Committee and the Assembly Environment and Solid Waste
46 Committee, or their successors, for their respective consideration.
47 On or before October 15 of each year the trust may submit an
48 additional drinking water project eligibility list, to be introduced in

1 each House in the form of legislative appropriations bills, which
2 shall be referred to the Senate Environment and Energy Committee
3 and the Assembly Environment and Solid Waste Committee, or
4 their successors, for their respective consideration.

5 b. The Senate Environment and Energy Committee and the
6 Assembly Environment and Solid Waste Committee shall, either
7 individually or jointly, consider the legislation containing the
8 drinking water project eligibility list, and shall report the
9 legislation, together with any modifications, out of committee for
10 consideration by each House of the Legislature. On or before July 1
11 of each year, the Legislature shall approve an appropriations act
12 containing the drinking water project eligibility list, including any
13 amendatory or supplementary provisions thereto, which act shall
14 include the authorization of an aggregate amount of funds of the
15 trust to be expended for long-term loans and guarantees for the
16 specific water supply projects, including the individual amounts
17 therefor, on the list.

18 c. The trust shall not expend any money for a long-term loan or
19 guarantee during a fiscal year for any water supply project unless
20 the expenditure is authorized pursuant to an appropriations act as
21 provided in the provisions of this section, or as otherwise set forth
22 in an appropriations act.

23 d. The trust shall submit to the Secretary of the Senate and the
24 Clerk of the General Assembly on or before January 15 of each year
25 a report which shall identify the water supply projects financed
26 during the prior fiscal year, including a project description, the
27 amount of the loan provided for each project, and the duration of
28 each loan.¹

29 (cf: P.L.2018, c.75, s.5)]²

30
31 ²2. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended to
32 read as follows:

33 24. a. (1) The Commissioner of Environmental Protection shall
34 for each fiscal year develop a priority system for water supply projects
35 and shall establish the ranking criteria and funding policies for the
36 water supply projects to be financed by the New Jersey Environmental
37 Infrastructure Financing Program. The commissioner shall set forth an
38 Interim Drinking Water Financing Program Project Priority List,
39 hereinafter referred to as the "drinking water project priority list," for
40 funding by the trust for each fiscal year and shall include the aggregate
41 amount of funds of the trust to be authorized for these purposes. The
42 commissioner may include a water supply project on the drinking
43 water project priority list if it is eligible for funding under the "Water
44 Supply Bond Act of 1981," P.L.1981, c.261, as amended, meets the
45 eligibility requirements for funding pursuant to the federal "Safe
46 Drinking Water Act Amendments of 1996," Pub.L.104-182, or, in the
47 case of a water supply project for the reduction of lead in a publicly-
48 owned facility, the project meets the eligibility requirements

1 established by the Department of Environmental Protection for those
2 projects or, in the case of a water supply project financed through
3 another source of funds, conformance with the requirements
4 established by the department and the other source of funds for that
5 project. The drinking water project priority list shall include a
6 description of each project and an explanation of the manner in which
7 priorities were established. The department shall, to the extent
8 consistent with federal law, assign additional priority points to project
9 applicants with an established program to employ at the project
10 facility, or at related offices or facilities, persons who reside in the
11 municipality in which the project is located, the service area of the
12 project, or in surrounding municipalities that meet the criteria for State
13 aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.). The priority
14 system and drinking water project priority list for the ensuing fiscal
15 year shall be submitted to the Secretary of the Senate and the Clerk of
16 the General Assembly on or before January 15 of each year. The
17 Secretary and the Clerk shall cause the date of submission to be
18 entered upon the Senate Journal and the Minutes of the General
19 Assembly, respectively. Incremental revisions or supplements to the
20 drinking water project priority list may be submitted to the Legislature
21 as provided in subsection d. of section 9 of P.L.1985, c.334
22 (C.58:11B-9).

23 (2) The commissioner shall set forth a drinking water project
24 eligibility list for long-term funding by the trust and shall include the
25 aggregate amount of funds to be authorized for these purposes. The
26 drinking water project eligibility list shall consist of drinking water
27 project priority list projects certified by the department that have
28 commenced construction and demonstrated a high likelihood of
29 construction completion on or before the end of the ensuing fiscal
30 year. On or before May 15 of each year, the trust shall submit the
31 drinking water project eligibility list for the ensuing fiscal year,
32 including any revision thereof or supplement thereto, to be introduced
33 in each House in the form of legislative appropriations bills, which
34 shall be referred to the Senate Environment and Energy Committee
35 and the Assembly Environment and Solid Waste Committee, or their
36 successors, for their respective consideration. On or before October 15
37 of each year the trust may submit an additional drinking water project
38 eligibility list, to be introduced in each House in the form of legislative
39 appropriations bills, which shall be referred to the Senate Environment
40 and Energy Committee and the Assembly Environment and Solid
41 Waste Committee, or their successors, for their respective
42 consideration.

43 b. The Senate Environment and Energy Committee and the
44 Assembly Environment and Solid Waste Committee shall, either
45 individually or jointly, consider the legislation containing the drinking
46 water project eligibility list, and shall report the legislation, together
47 with any modifications, out of committee for consideration by each
48 House of the Legislature. On or before July 1 of each year, the

1 Legislature shall approve an appropriations act containing the drinking
2 water project eligibility list, including any amendatory or
3 supplementary provisions thereto, which act shall include the
4 authorization of an aggregate amount of funds of the trust to be
5 expended for long-term loans and guarantees for the specific water
6 supply projects, including the individual amounts therefor, on the list.

7 c. The trust shall not expend any money for a long-term loan or
8 guarantee during a fiscal year for any water supply project unless the
9 expenditure is authorized pursuant to an appropriations act as provided
10 in the provisions of this section, or as otherwise set forth in an
11 appropriations act.

12 d. The trust shall submit to the Secretary of the Senate and the
13 Clerk of the General Assembly on or before January 15 of each year a
14 report which shall identify the water supply projects financed during
15 the prior fiscal year, including a project description, the amount of the
16 loan provided for each project, and the duration of each loan.²

17 (cf: P.L.2021, c.74, s.11)

18

19 ¹**[2.] 3.**¹ This act shall take effect immediately.