

# ASSEMBLY, No. 5826

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 2, 2021

**Sponsored by:**

**Assemblyman ROY FREIMAN**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Co-Sponsored by:**

**Assemblywoman Murphy**

**SYNOPSIS**

Authorizes NJ Infrastructure Bank to guarantee local government bonds or provide other assistance for certain local redevelopment projects.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/21/2021)**

1 AN ACT concerning guarantees for local government bonds, and  
2 amending P.L.1985, c.334.

3

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

6

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

9 2. a. The Legislature finds that the steady deterioration of  
10 older sewage and sewer systems and wastewater treatment plants  
11 endangers the availability and quality of uncontaminated water  
12 resources of the State, thereby posing a grave danger to the health,  
13 safety and welfare of the residents of the concerned communities  
14 and the State; that the construction, rehabilitation, operation, and  
15 maintenance of modern and efficient sewer systems and wastewater  
16 treatment plants are essential to protecting and improving the State's  
17 water quality; that in addition to protecting and improving water  
18 quality, adequate wastewater treatment systems are essential to  
19 economic growth and development; that many of the wastewater  
20 treatment systems in New Jersey must be replaced or upgraded if an  
21 inexorable decline in water quality is to be avoided during the  
22 coming decades; that the United States Congress in recognition of  
23 the crucial role wastewater treatment systems and plants play in  
24 maintaining and improving water quality, and with an  
25 understanding that the cost of financing and constructing these  
26 systems must be borne by local governments and authorities with  
27 limited sources of revenues, established in the "Federal Water  
28 Pollution Control Act Amendments of 1972," Pub.L.92-500 (33  
29 U.S.C. s.1251 et al.) a program to provide local governments with  
30 grants for constructing these systems; that during the last several  
31 years the amount of federal grant money available to states and  
32 local governments for assistance in constructing and improving  
33 wastewater treatment systems has sharply diminished; that the  
34 current level of federal grant funding is inadequate to meet the cost  
35 of upgrading the State's wastewater treatment capacity to comply  
36 with State water quality standards; that the collective needs of the  
37 State and local governments for capital financing of wastewater  
38 treatment systems far exceed the sums of money presently available  
39 through revenue initiatives and State and federal aid programs; and  
40 that it is fitting and proper for the State to encourage local  
41 governments to undertake wastewater treatment projects through  
42 the establishment of a State mechanism to provide loans at the  
43 lowest reasonable interest rates and to guarantee or insure local  
44 capital improvement bonds.

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

15       The Legislature further finds that funding at the federal level for  
16 wastewater treatment, stormwater management and combined sewer  
17 system rehabilitation projects is insufficient; that State funds  
18 available for these projects are inadequate to meet current needs;  
19 that local revenues are insufficient to meet these expenses; and that  
20 additional funding at the State level is necessary to meet this  
21 financial obligation.

22       c. The Legislature finds that construction, rehabilitation,  
23 operation and maintenance of modern and efficient water supply  
24 facilities are essential to protecting and improving the State's water  
25 quality; that the citizens of this State, in recognition of the crucial  
26 role the construction of new and the upgrading of existing water  
27 supply facilities play in maintaining and augmenting the natural  
28 water resources of the State, and with an understanding that the cost  
29 of financing and constructing these systems is beyond the limited  
30 financial resource capabilities of local governments and authorities  
31 and must be subsidized by the State and repaid through a system of  
32 water supply user charges, approved the enactment of the "Water  
33 Supply Bond Act of 1981" (P.L.1981, c.261); that the water supply  
34 needs of the State are so great that the funds allocated for this  
35 purpose from the "Water Supply Fund" established by that 1981  
36 bond act should be augmented and maximized, to the extent  
37 practicable, through the use of alternative methods of State  
38 financing to offset the costs of water supply projects and for the  
39 construction of new or the rehabilitation of antiquated or inadequate  
40 existing water supply facilities; that the United States Congress in  
41 recognition of the essential role that safe drinking water plays in  
42 protecting the public health, and with an understanding that  
43 financing, constructing and maintaining water systems that meet the  
44 requirements of the "Safe Drinking Water Act," 42 U.S.C. s.300f et  
45 seq. exceed the financial and technical capacity of the operators of  
46 some water systems, has established in the "Safe Drinking Water  
47 Act Amendments of 1996," P.L.104-182, a program to provide  
48 public water systems with financial assistance to meet national

1 primary drinking water regulations or to otherwise further the  
2 health protection objectives of the federal law and that the State  
3 must, in order to make use of the federal funds, provide State funds  
4 for the program; and therefore, State funding for the program is  
5 necessary to meet this financial obligation.

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

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

24 f. The Legislature finds that investment in redevelopment  
25 projects with a water supply, wastewater, or transportation  
26 infrastructure component is essential to the support of healthy  
27 communities, allowing local government units to take steps needed  
28 to meet economic and environmental challenges.

29 g. The Legislature therefore determines that it is in the public  
30 interest to establish a State authority authorized to issue bonds,  
31 notes and other obligations and to establish any reserve funds  
32 necessary therefor, and to make loans to and guarantee debt  
33 incurred by local government units for environmental and  
34 transportation infrastructure projects.

35 (cf: P.L.2016, c.56, s.11)

36

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

39 3. As used in sections 1 through 27 of P.L.1985, c.334  
40 (C.58:11B-1 through C.58:11B-27), sections 23 through 27 of  
41 P.L.1997, c.224 (C.58:11B-10.1 et al.), and sections 22 and 34  
42 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
43 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4):

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

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

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

8 "Commissioner" means the Commissioner of the Department of  
9 Environmental Protection;

10 "Cost" means the cost of all labor, materials, machinery and  
11 equipment, lands, property, rights and easements, financing  
12 charges, interest on bonds, notes or other obligations, plans and  
13 specifications, surveys or estimates of costs and revenues,  
14 engineering and legal services, and all other expenses necessary or  
15 incident to all or part of an environmental infrastructure project;

16 "Department" means the Department of Environmental  
17 Protection;

18 "Environmental infrastructure project" means the acquisition,  
19 construction, improvement, repair or reconstruction of all or part of  
20 any structure, facility or equipment, or real or personal property  
21 necessary for or ancillary to any: (1) wastewater treatment system  
22 project, including any stormwater management or combined sewer  
23 overflow abatement projects; or (2) water supply project, as  
24 authorized pursuant to 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.), including any water  
26 resources project, as authorized pursuant to P.L.2003, c.162;

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

31 "Planning, design, and construction loan" means a short-term or  
32 temporary loan for eligible costs incurred in project planning,  
33 engineering design, or construction issued before or during the  
34 planning stage of a project;

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

1 and maintain public highways or transportation projects as defined  
2 pursuant to this section;

3 "New Jersey Environmental Infrastructure Financing Program"  
4 means the financing program to fund environmental infrastructure  
5 projects;

6 "New Jersey Transportation Infrastructure Financing Program"  
7 means the financing program to fund transportation infrastructure  
8 projects;

9 "Notes" means notes issued by the trust pursuant to P.L.1985,  
10 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
11 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
12 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
13 C.58:11B-22.4);

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

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

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

30 "Project" means the acquisition, construction, improvement,  
31 repair or reconstruction of all or part of any structure, facility, or  
32 equipment, or real or personal property necessary for or ancillary to  
33 any: (1) wastewater treatment system project, including any  
34 stormwater management or combined sewer overflow abatement  
35 projects; (2) water supply project, as authorized pursuant to  
36 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
37 10.1 et al.), including any water resources project, as authorized  
38 pursuant to P.L.2003, c.162; **【or】** (3) transportation project  
39 authorized pursuant to sections 22 and 34 through 38 of P.L.2016,  
40 c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2,  
41 C.58:11B-22.3, and C.58:11B-22.4); or (4) redevelopment project  
42 as defined in the "Redevelopment Area Bond Financing Law,"  
43 P.L.2001, c.310 (C.40A:12A-64 et al.) and authorized pursuant to  
44 paragraph (2) of subsection b. of section 9 of P.L.1985, c.334  
45 (C.58:11B-9);

46 "Public highway" means public roads, streets, expressways,  
47 freeways, parkways, motorways and boulevards, including bridges,  
48 tunnels, overpasses, underpasses, interchanges, express bus

1 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
2 circles, grade separations, traffic control devices, the elimination or  
3 improvement of crossings of railroads and highways, whether at-  
4 grade or not at-grade, bicycle and pedestrian pathways and  
5 pedestrian and bicycle bridges, and any property, rights of way,  
6 easements and interests therein needed for the construction,  
7 improvement, and maintenance of highways;

8 "Public water utility" means any investor-owned water company  
9 or small water company;

10 "Small water company" means any company, purveyor or entity,  
11 other than a governmental agency, that provides water for human  
12 consumption and which regularly serves less than 1,000 customer  
13 connections, including nonprofit, noncommunity water systems  
14 owned or operated by a nonprofit group or organization;

15 "Stormwater management system" means any equipment, plants,  
16 structures, machinery, apparatus, management practices, or land, or  
17 any combination thereof, acquired, used, constructed, implemented  
18 or operated to prevent nonpoint source pollution, abate improper  
19 cross-connections and interconnections between stormwater and  
20 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
21 induce groundwater recharge, or any combination thereof;

22 "Transportation project" means capital projects for public  
23 highways, approach roadways and other necessary land-side  
24 improvements, ramps, signal systems, roadbeds, transit lanes or  
25 rights of way, pedestrian walkways and bridges connecting to  
26 passenger stations and servicing facilities, bridges, and grade  
27 crossings;

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

30 "Wastewater" means residential, commercial, industrial, or  
31 agricultural liquid waste, sewage, septage, stormwater runoff, or  
32 any combination thereof, or other liquid residue discharged or  
33 collected into a sewer system or stormwater management system, or  
34 any combination thereof;

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

1 "Wastewater treatment system project" means any work relating  
2 to the acquisition, construction, improvement, repair or  
3 reconstruction of all or part of any structure, facility or equipment,  
4 or real or personal property necessary for or ancillary to any  
5 wastewater treatment system that meets the requirements set forth  
6 in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,  
7 C.58:11B-21, and C.58:11B-22); or any work relating to any of the  
8 stormwater management or combined sewer overflow abatement  
9 projects identified in the stormwater management and combined  
10 sewer overflow abatement project priority list adopted by the  
11 commissioner pursuant to section 28 of P.L.1989, c.181; or any  
12 work relating to the purposes set forth in section 6 of P.L.2003,  
13 c.162; or any work relating to any other project eligible for  
14 financing under the "Federal Water Pollution Control Act  
15 Amendments of 1972" (33 U.S.C. s.1251 et seq.), or any  
16 amendatory or supplementary acts thereto;

17 "Water resources project" means any work related to transferring  
18 water between public water systems during a state of water  
19 emergency, to avert a drought emergency in all or any part of the  
20 State, to plan, design or construct interconnections of existing water  
21 supplies, or to extend water supplies to areas with contaminated  
22 ground water supplies;

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

39 "Water supply project" means any work relating to the  
40 acquisition, construction, improvement, repair or reconstruction of  
41 all or part of any structure, facility or equipment, or real or personal  
42 property necessary for or ancillary to water supply facilities that  
43 meets the requirements set forth in sections 24, 25, and 26 of  
44 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-  
45 22.1); or any work relating to the purposes set forth in section 4 of  
46 P.L.1981, c.261; or any work relating to the purposes set forth in  
47 section 6 of P.L.2003, c.162; or any work relating to any other  
48 project eligible for funding pursuant to the federal "Safe Drinking



1 Water Act Amendments of 1996," Pub.L.104-182, and any  
2 amendatory and supplementary acts thereto.

3 (cf: P.L.2019, c.516, s.1)

4

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

7 5. Except as otherwise limited by the provisions of P.L.1985,  
8 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
9 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
10 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
11 C.58:11B-22.4), the trust may:

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

16 b. Adopt an official seal and alter it;

17 c. Sue and be sued;

18 d. Make and enter into all contracts, leases and agreements  
19 necessary or incidental to the performance of its duties and the  
20 exercise of its powers under the provisions of P.L.1985, c.334  
21 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
22 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
23 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
24 C.58:11B-22.4), and subject to any agreement with the holders of  
25 the trust's bonds, notes or other obligations, consent to any  
26 modification, amendment or revision of any contract, lease or  
27 agreement to which the trust is a party;

28 e. Enter into agreements or other transactions with and accept,  
29 subject to the provisions of section 23 of P.L.1985, c.334  
30 (C.58:11B-23), grants, appropriations and the cooperation of the  
31 State, or any State agency, in furtherance of the purposes of  
32 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
33 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
34 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
35 22.3, and C.58:11B-22.4), and do anything necessary in order to  
36 avail itself of that aid and cooperation;

37 f. Receive and accept aid or contributions from any source of  
38 money, property, labor or other things of value, to be held, used and  
39 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
40 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
41 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
42 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), subject  
43 to the conditions upon which that aid and those contributions may  
44 be made, including, but not limited to, gifts or grants from any  
45 department or agency of the State, or any State agency, for any  
46 purpose consistent with the provisions of P.L.1985, c.334  
47 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
48 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3

1 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
2 C.58:11B-22.4), subject to the provisions of section 23 of P.L.1985,  
3 c.334 (C.58:11B-23);

4 g. Acquire, own, hold, construct, improve, rehabilitate,  
5 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
6 or otherwise dispose of real and personal property, or any interest  
7 therein, in the exercise of its powers and the performance of its  
8 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
9 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
10 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
11 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

12 h. Appoint and employ an executive director and any other  
13 officers or employees as it may require for the performance of its  
14 duties, without regard to the provisions of Title 11A of the New  
15 Jersey Statutes;

16 i. Borrow money and issue bonds, notes and other obligations,  
17 and secure the same, and provide for the rights of the holders  
18 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
19 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and  
20 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
21 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

22 j. Subject to any agreement with holders of its bonds, notes or  
23 other obligations, invest moneys of the trust not required for  
24 immediate use, including proceeds from the sale of any bonds, notes  
25 or other obligations, in any obligations, securities and other  
26 investments in accordance with the rules and regulations of the  
27 State Investment Council or as may otherwise be approved by the  
28 Director of the Division of Investment in the Department of the  
29 Treasury upon a finding that such investments are consistent with  
30 the corporate purposes of the trust;

31 k. Procure insurance to secure the payment of its bonds, notes  
32 or other obligations or the payment of any guarantees or loans made  
33 by it in accordance with the provisions of P.L.1985, c.334  
34 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
35 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
36 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
37 C.58:11B-22.4), or against any loss in connection with its property  
38 and other assets and operations, in any amounts and from any  
39 insurers as it deems desirable;

40 l. Engage the services of attorneys, accountants, engineers, and  
41 financial experts and any other advisors, consultants, experts and  
42 agents as may be necessary in its judgment and fix their  
43 compensation;

44 m. (1) Make and contract to make loans to local government  
45 units, or to a local government unit on behalf of another local  
46 government unit, to finance the cost of wastewater treatment system  
47 projects or water supply projects and acquire and contract to acquire  
48 notes, bonds or other obligations issued or to be issued by any local

1 government units to evidence the loans, all in accordance with the  
2 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
3 c.224 (C.58:11B-10.1 et al.);

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

9 (3) Make and contract to make loans to private persons other  
10 than local government units, or to any other person or local  
11 government unit on behalf of a private person, to finance the cost of  
12 onsite wastewater treatment and disposal systems or stormwater  
13 management systems in accordance with the provisions of  
14 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
15 10.1 et al.);

16 (4) Make and contract to make loans and provide other  
17 assistance to one or more local government units or consortia  
18 thereof to finance the cost of transportation projects in accordance  
19 with the provisions of the federal infrastructure bank program and  
20 pursuant to sections 22 and 34 through 38 of P.L.2016, c.56  
21 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
22 22.3, and C.58:11B-22.4);

23 (5) Invest in, insure, securitize, collateralize, guarantee, create  
24 debt service reserve funds for, or provide other instruments for,  
25 redevelopment projects as defined in the “Redevelopment Area  
26 Bond Financing Law,” P.L.2001, c.310 (C.40A:12A-64 et al.), for  
27 which credits, loans, or payments in lieu of taxes may be secured by  
28 loan or security agreements, or any other instruments, upon such  
29 terms and conditions as the trust shall deem reasonable, including  
30 the provision for the establishment and maintenance of reserve  
31 funds. The trust may require the inclusion of such provisions in any  
32 contract, loan, security agreement, or other instrument, for the  
33 financing of a redevelopment project, in accordance with the  
34 provisions of paragraph (2) of subsection b. of section 9 of  
35 P.L.1985, c.334 (C.58:11B-9);

36 n. Subject to any agreement with holders of its bonds, notes or  
37 other obligations, purchase bonds, notes and other obligations of the  
38 trust and hold the same for resale or provide for the cancellation  
39 thereof, all in accordance with the provisions of P.L.1985, c.334  
40 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
41 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
42 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
43 C.58:11B-22.4);

44 o. (1) Charge to and collect from local government units,  
45 private persons or public water utilities any fees and charges in  
46 connection with the trust's loans, guarantees or other services,  
47 including, but not limited to, fees and charges sufficient to  
48 reimburse the trust for all reasonable costs necessarily incurred by it

1 in connection with its financings and the establishment and  
2 maintenance of reserve or other funds, as the trust may determine to  
3 be reasonable. The fees and charges shall be in accordance with a  
4 uniform schedule published by the trust for the purpose of  
5 providing actual cost reimbursement for the services rendered;

6 (2) Any fees and charges collected by the trust pursuant to this  
7 subsection may be deposited and maintained in a special fund  
8 separate from any other funds held by the trust pursuant to section  
9 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,  
10 c.224 (C.58:11B-10.1), and shall be available for any corporate  
11 purposes of the trust;

12 p. Subject to any agreement with holders of its bonds, notes or  
13 other obligations, obtain as security or to provide liquidity for  
14 payment of all or any part of the principal of and interest and  
15 premium on the bonds, notes and other obligations of the trust or  
16 for the purchase upon tender or otherwise of the bonds, notes or  
17 other obligations, lines of credit, letters of credit and other security  
18 agreements or instruments in any amounts and upon any terms as  
19 the trust may determine, and pay any fees and expenses required in  
20 connection therewith;

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

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

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

28 (cf: P.L.2017, c.144, s.2)

29

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

32 6. a. Except as may be otherwise expressly provided in the  
33 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
34 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
35 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
36 20.2, C.58:11B-22.3, and C.58:11B-22.4), the trust may from time  
37 to time issue its bonds, notes, or other obligations in any principal  
38 amounts as in the judgment of the trust shall be necessary to  
39 provide sufficient funds for any of its corporate purposes, including  
40 the payment, funding, or refunding of the principal of, or interest or  
41 redemption premiums on, any bonds, notes, or other obligations  
42 issued by it, whether the bonds, notes, or other obligations or the  
43 interest or redemption premiums thereon to be funded or refunded  
44 have or have not become due, the establishment or increase of  
45 reserves or other funds to secure or to pay the bonds, notes, or other  
46 obligations or interest thereon and all other costs or expenses of the  
47 trust incident to and necessary to carry out its corporate purposes  
48 and powers.

1       b. Whether or not the bonds, notes or other obligations of the  
2 trust are of a form and character as to be negotiable instruments  
3 under the terms of Title 12A of the New Jersey Statutes, the bonds,  
4 notes and other obligations are made negotiable instruments within  
5 the meaning of and for the purposes of Title 12A of the New Jersey  
6 Statutes, subject only to the provisions of the bonds, notes and other  
7 obligations for registration.

8       c. Bonds, notes or other obligations of the trust shall be  
9 authorized by a resolution or resolutions of the trust and may be  
10 issued in one or more series and shall bear any date or dates, mature  
11 at any time or times, bear interest at any rate or rates of interest per  
12 annum, be in any denomination or denominations, be in any form,  
13 either coupon, registered or book entry, carry any conversion or  
14 registration privileges, have any rank or priority, be executed in any  
15 manner, be payable in any coin or currency of the United States  
16 which at the time of payment is legal tender for the payment of  
17 public and private debts, at any place or places within or without  
18 the State, and be subject to any terms of redemption by the trust or  
19 the holders thereof, with or without premium, as the resolution or  
20 resolutions may provide. A resolution of the trust authorizing the  
21 issuance of bonds, notes or other obligations may provide that the  
22 bonds, notes or other obligations be secured by a trust indenture  
23 between the trust and a trustee, vesting in the trustee any property,  
24 rights, powers and duties in trust consistent with the provisions of  
25 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
26 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
27 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
28 22.3, and C.58:11B-22.4) as the trust may determine.

29       d. Bonds, notes or other obligations of the trust may be sold at  
30 any price or prices and in any manner as the trust may determine.  
31 Notwithstanding any provisions of the "Local Bond Law,"  
32 N.J.S.40A:2-1 et seq., to the contrary, each bond, note or other  
33 obligation shall mature and be paid not later than 30 years for  
34 environmental infrastructure projects, 45 years for combined sewer  
35 overflow projects, 25 years for redevelopment projects as defined in  
36 the "Redevelopment Area Bond Financing Law," P.L.2001, c.310  
37 (C.40A:12A-64 et al.) and financed pursuant to paragraph (2) of  
38 subsection b. of section 9 of P.L.1985, c.334 (C.58:11B-9), and 31  
39 years for transportation projects, from the effective date thereof, or  
40 the certified useful life of the project or projects to be financed by  
41 the bonds, whichever is less, or a shorter period of time as may be  
42 applicable to any companion loan issued pursuant to federal law or  
43 regulation.

44       All bonds of the trust shall be sold at the price or prices and in  
45 the manner as the trust shall determine, after notice of sale, a  
46 summary of which shall be published at least once in at least three  
47 newspapers published in the State of New Jersey and at least once  
48 in a publication carrying municipal bond notices and devoted

1 primarily to financial news published in New Jersey or the city of  
2 New York, the first summary notice to be at least five days prior to  
3 the day of bidding. The notice of sale may contain a provision to the  
4 effect that any or all bids made in pursuance thereof may be  
5 rejected. In the event of such rejection or of failure to receive any  
6 acceptable bid, the trust, at any time within 60 days from the date of  
7 such advertised sale, may sell such bonds at private sale upon terms  
8 not less favorable to the State than the terms offered by any rejected  
9 bid. The trust may sell all or part of the bonds of any series as  
10 issued to any State fund or to the federal government or any agency  
11 thereof, at private sale, without advertisement.

12 e. Bonds, notes or other obligations of the trust may be issued  
13 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
14 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
15 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
16 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) without  
17 obtaining the consent of any department, division, board, bureau or  
18 agency of the State, and without any other proceedings or the  
19 happening of any other conditions or things, other than those  
20 consents, proceedings, conditions or things which are specifically  
21 required by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
22 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
23 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
24 20.2, C.58:11B-22.3, and C.58:11B-22.4).

25 f. Bonds, notes or other obligations of the trust issued under  
26 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,  
27 c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
28 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
29 20.2, C.58:11B-22.3, and C.58:11B-22.4) shall not be a debt or  
30 liability of the State or of any political subdivision thereof other  
31 than the trust and shall not create or constitute any indebtedness,  
32 liability or obligation of the State or any political subdivision, but  
33 all these bonds, notes and other obligations, unless funded or  
34 refunded by bonds, notes or other obligations, shall be payable  
35 solely from revenues or funds pledged or available for their  
36 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.),  
37 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
38 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
39 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4). Each  
40 bond, note and obligation shall contain on its face a statement to the  
41 effect that the trust is obligated to pay the principal thereof or the  
42 interest thereon only from its revenues, receipts or funds pledged or  
43 available for their payment as authorized in 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 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
46 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
47 C.58:11B-22.4), and that neither the State, nor any political  
48 subdivision thereof, is obligated to pay the principal or interest and

1 that neither the faith and credit nor the taxing power of the State, or  
2 any political subdivision thereof, is pledged to the payment of the  
3 principal of or the interest on the bonds, notes or other obligations.

4 g. The aggregate principal amount of bonds, notes or other  
5 obligations, including subordinated indebtedness of the trust, shall  
6 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other  
7 obligations issued to finance the Disaster Relief Emergency  
8 Financing Program established pursuant to section 1 of P.L.2013,  
9 c.93 (C.58:11B-9.5), and (2) \$3,800,000,000 with respect to bonds,  
10 notes, or other obligations issued for all other purposes of the trust.  
11 In computing the foregoing limitations there shall be excluded all  
12 the bonds, notes or other obligations, including subordinated  
13 indebtedness of the trust, which shall be issued for refunding  
14 purposes, whenever the refunding shall be determined to result in a  
15 savings.

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

26 (2) The Joint Budget Oversight Committee or its successor shall  
27 have the authority to approve or disapprove the sales of refunding  
28 bonds as included in each report submitted in accordance with  
29 paragraph (1) of this subsection. The committee shall notify the  
30 trust in writing of the approval or disapproval within 30 days of  
31 receipt of the report. Should the committee not act within 30 days  
32 of receipt of the report, the trust may proceed with the sale of the  
33 refunding bonds, provided that the sale of refunding bonds shall  
34 realize not less than three percent net present value debt service  
35 savings.

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

40 (4) Within 30 days after the sale of the refunding bonds, the  
41 trust shall notify the committee of the result of that sale, including  
42 the prices and terms, conditions and regulations concerning the  
43 refunding bonds, the actual amount of debt service savings to be  
44 realized as a result of the sale of refunding bonds, and the intended  
45 use of the proceeds from the sale of those bonds.

46 (5) The committee shall review all information and reports  
47 submitted in accordance with this subsection and may, on its own

1 initiative, make observations to the trust, or to the Legislature, or  
2 both, as it deems appropriate.

3 h. Each issue of bonds, notes, or other obligations of the trust  
4 may, if it is determined by the trust, be general obligations thereof  
5 payable out of any revenues, receipts or funds of the trust, or  
6 special obligations thereof payable out of particular revenues,  
7 receipts or funds, subject only to any agreements with the holders of  
8 bonds, notes or other obligations, and may be secured by one or  
9 more of the following:

10 (1) Pledge of revenues and other receipts to be derived from the  
11 payment of the interest on and principal of notes, bonds or other  
12 obligations issued to the trust by one or more local government  
13 units, and any other payment made to the trust pursuant to  
14 agreements with any local government units, or a pledge or  
15 assignment of any notes, bonds, or other obligations of any local  
16 government unit and the rights and interest of the trust therein;

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

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

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

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

33 i. The trust shall not issue any bonds, notes or other  
34 obligations, or otherwise incur any additional indebtedness, on or  
35 after June 30, 2033.

36 j. (Deleted by amendment, P.L.1996, c.88).  
37 (cf: P.L.2018, c.75, s.2)

38

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

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



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

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

14 (4) The trust may make and contract to make loans and provide  
15 other assistance to a local government unit or consortia thereof to  
16 finance the cost of transportation projects pursuant to sections 22  
17 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
18 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-  
19 22.4), and provided that the federally-funded subaccount is operated  
20 in accordance with the provisions of the federal infrastructure bank  
21 program.

22 (5) The trust may invest in, insure, securitize, collateralize,  
23 create debt service reserve funds for, or provide other forms of  
24 credit support for, local government redevelopment bonds, or may  
25 facilitate the financing of redevelopment projects financed pursuant  
26 to paragraph (2) of subsection b. of this section.

27 The loans may be made subject to those terms and conditions as  
28 the trust shall determine to be consistent with the purposes thereof.  
29 Each loan by the trust and the terms and conditions thereof shall be  
30 subject to approval by the State Treasurer, and the trust shall make  
31 available to the State Treasurer all information, statistical data and  
32 reports of independent consultants or experts as the State Treasurer  
33 shall deem necessary in order to evaluate the loan. Each loan to a  
34 local government unit, public water utility or any other person shall  
35 be evidenced by notes, bonds or other obligations thereof issued to  
36 the trust. In the case of each local government unit, notes and  
37 bonds to be issued to the trust and, if applicable, the State, acting by  
38 and through the Department of Environmental Protection, by the  
39 local government unit; (1) shall be authorized and issued as  
40 provided by law for the issuance of notes and bonds by the local  
41 government unit~~[,]~~; (2) notwithstanding any provisions of the  
42 "Local Authorities Fiscal Control Law," P.L.1983, c.313  
43 (C.40A:5A-1 et seq.) to the contrary, shall be approved by the  
44 Director of the Division of Local Government Services in the  
45 Department of Community Affairs~~[,]~~; and (3) notwithstanding the  
46 provisions of N.J.S.40A:2-27, N.J.S.40A:2-28 and N.J.S.40A:2-29  
47 or any other provisions of law to the contrary, may be sold at  
48 private sale to the trust or the State, as the case may be, at any price,

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

10 b. (1) The trust is authorized to guarantee or contract to  
11 guarantee the payment of all or any portion of the principal and  
12 interest on bonds, notes or other obligations issued by a local  
13 government unit to finance the cost of any wastewater treatment  
14 system project, water supply project, or transportation project which  
15 the local government unit may lawfully undertake or acquire and for  
16 which the local government unit is authorized by law to borrow  
17 money, and the guarantee shall constitute an obligation of the  
18 trust for the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.),  
19 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
20 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
21 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4).

22 (2) The trust is authorized to guarantee, contract to guarantee the  
23 payment of all or any portion of the principal and interest of, or  
24 invest in, bonds, notes, or other obligations issued by one or more  
25 local government units, or provide other assistance, in order to  
26 provide credit support for, or otherwise facilitate the financing of,  
27 the cost of a redevelopment project financed pursuant to sections 1  
28 through 10 of the "Redevelopment Area Bond Financing Law,"  
29 P.L.2001, c.310 (C.40A:12A-64 through C.40A:12A-73), that  
30 includes, as a portion thereof, a wastewater treatment system  
31 project, water supply project, or transportation project, which the  
32 local government unit may lawfully undertake or acquire and for  
33 which the local government unit is authorized by law to borrow  
34 money. Notwithstanding the provisions of subsection j. of section 5  
35 of P.L.1985, c.334 (C.58:11B-5) to the contrary, investments in  
36 redevelopment projects pursuant to this paragraph shall not require  
37 conformance with the rules and regulations of the State Investment  
38 Council or approval by the Director of the Division of Investment in  
39 the Department of the Treasury. The guarantee shall constitute an  
40 obligation of the trust, may include investments of subordinated  
41 debt of an individual obligation or pool of obligations, and shall be  
42 in furtherance of the corporate purposes of the trust, for the  
43 purposes of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
44 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
45 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
46 20.2, C.58:11B-22.3, and C.58:11B-22.4), and the "New Jersey  
47 Economic Recovery Act of 2020," P.L.2020, c.156 (C.34:1B-269 et  
48 al.).

1       (3) Each guarantee by the trust and the terms and conditions  
2 thereof shall be subject to approval by the State Treasurer, and the  
3 trust shall make available to the State Treasurer all information,  
4 statistical data and reports of independent consultants or experts as  
5 the State Treasurer shall deem necessary in order to evaluate the  
6 guarantee.

7       c. The trust shall not make or contract to make any loans or  
8 guarantees to local government units, public water utilities or any  
9 other person, or otherwise incur any additional indebtedness, on or  
10 after June 30, 2033.

11       d. Notwithstanding any provision of P.L.1985, c.334  
12 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
13 the contrary, the trust may receive funds from any source including,  
14 without limitation, any funds drawn by the trust from a revolving  
15 line of credit or other similar financial vehicle that may be procured  
16 by the trust, either through a competitive or negotiated process,  
17 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit  
18 into the Interim Environmental Financing Program Fund or the trust  
19 may issue its bonds, notes or other obligations, including  
20 commercial paper issued through a competitive or negotiated  
21 process, in any principal amounts, in either case, as in the judgment  
22 of the trust shall be necessary to provide sufficient funds to finance  
23 or refinance short-term or temporary loans to local government  
24 units, public water utilities or private persons for any wastewater  
25 treatment system projects included on the Department of  
26 Environmental Protection project priority list and eligible for  
27 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)  
28 or water supply projects included on the Department of  
29 Environmental Protection project priority list and eligible for  
30 approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1),  
31 as applicable, without regard to any other provisions of P.L.1985,  
32 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
33 al.), including, without limitation, any administrative or legislative  
34 approvals.

35       The trust shall create and establish a special fund to be known as  
36 the "Interim Environmental Financing Program Fund" for the short-  
37 term or temporary loan financing or refinancing program to be  
38 known as the "Interim Environmental Financing Program." The  
39 monies in the fund shall be used for short-term or temporary loans  
40 for clean water and drinking water projects pursuant to the New  
41 Jersey Environmental Infrastructure Financing Program.

42       Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-  
43 9.5), any short-term or temporary loans made by the trust pursuant  
44 to this subsection may only be made in advance of the anticipated  
45 loans the trust may make and contract to make under the provisions  
46 of subsection a. of this section from any source of funds anticipated  
47 to be received by the trust. Any such short-term or temporary loan  
48 made pursuant to the Interim Environmental Financing Program

1 shall mature no later than the last day of the third succeeding fiscal  
2 year following the closing date on which the short-term or  
3 temporary loan was made by the trust to the project sponsor; except  
4 a planning, design, and construction loan shall mature no later than  
5 the last day of the fifth succeeding fiscal year following the closing  
6 date of the planning, design, and construction loan or the last day of  
7 the third succeeding fiscal year following the date of construction  
8 certification following the closing date of the planning, design, and  
9 construction loan, whichever is sooner, provided that, in either case,  
10 project planning or engineering design activities shall not exceed  
11 two years from the closing date of the planning, design, and  
12 construction loan; and except a short-term or temporary loan made  
13 pursuant to this subsection for environmental planning and  
14 engineering design costs associated with long-term control plans for  
15 combined sewer overflow projects shall mature no later than the last  
16 day of the 10th succeeding fiscal year following the closing date on  
17 which the short-term or temporary loan was made by the trust to the  
18 project sponsor. With respect to any short-term or temporary loan  
19 or planning, design, and construction loan made by the trust  
20 pursuant to this subsection, the trust may authorize one short-term  
21 supplemental loan for residual project expenses thereof upon receipt  
22 by the trust from the Department of Environmental Protection of a  
23 certification that states that the time required by the project sponsor  
24 to complete construction of the project exceeds the maximum  
25 maturity date of the project sponsor's outstanding short-term or  
26 temporary loan or planning, design, and construction loan. Any  
27 such short-term supplemental loan shall not exceed in duration the  
28 last day of the third succeeding fiscal year following the loan  
29 closing of the supplemental loan. The trust may make short-term or  
30 temporary loans pursuant to the Interim Environmental Financing  
31 Program to any one or more of the project sponsors, for the  
32 respective projects thereof, identified in the interim financing  
33 project priority list to be known as the "Interim Environmental  
34 Financing Program Project Priority List" in the form provided to the  
35 Legislature by the Commissioner of Environmental Protection.

36 The Interim Environmental Financing Program Project Priority  
37 List, including any revision thereof or supplement thereto, shall be  
38 submitted to the Legislature pursuant to section 2 of P.L.1991,  
39 c.164 (C.52:14-19.1) at least once in each fiscal year as provided in  
40 section 20 of P.L.1985, c.334 (C.58:11B-20) and section 24 of  
41 P.L.1997, c.224 (C.58:11B-20.1). The Secretary and the Clerk shall  
42 cause the date of submission to be entered upon the Senate Journal  
43 and the Minutes of the General Assembly, respectively. The trust  
44 may revise or supplement the Interim Environmental Financing  
45 Program Project Priority List no more than four times during the  
46 fiscal year and shall submit the revised list to the Legislature when  
47 the revisions are made. Any environmental infrastructure project or  
48 the project sponsor thereof not identified in the Interim

1 Environmental Financing Program Project Priority List shall not be  
2 eligible for a short-term or temporary loan from the Interim  
3 Environmental Financing Program Fund. The trust may issue short-  
4 term or temporary loans pursuant to this subsection only if a project  
5 is listed on an Interim Environmental Financing Program Project  
6 Priority List that has been submitted to the Legislature. No funds  
7 may be disbursed pursuant to this section for project activities prior  
8 to a determination and certification, in writing, from the  
9 Department of Environmental Protection, that the project activities  
10 satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.).

11 e. Notwithstanding any provisions of the "Local Bond Law"  
12 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,  
13 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities  
14 authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the  
15 contrary, short-term or temporary loans made by the trust pursuant  
16 to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1 of  
17 P.L.2013, c.93 (C.58:11B-9.5), and the obligations issued by project  
18 sponsors to evidence such loans, may, at the discretion of the trust  
19 and upon application by the project sponsor, bear interest at a  
20 variable rate determined pursuant to a methodology as may be  
21 established by the trust from time to time.

22 Further, notwithstanding any provisions of the "Local Bond  
23 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"  
24 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county  
25 utilities authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to  
26 the contrary, any short-term or temporary loans made by the trust  
27 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1  
28 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other  
29 obligations issued by project sponsors to evidence such short-term  
30 or temporary loans, as such loans, notes, or other obligations may  
31 be refinanced or extended, as provided in subsections d. and g. of  
32 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except  
33 for loans for environmental planning and engineering design costs  
34 associated with long-term control plans for combined sewer  
35 overflow projects as provided in subsection d. of this section, shall  
36 mature no later than the maturity date as established pursuant to  
37 subsections d. and g. of this section and section 1 of P.L.2013, c.93  
38 (C.58:11B-9.5), without payment by project sponsors of any portion  
39 of the principal thereof prior to maturity.

40 f. Any balances remaining in the Emergency Loan Fund  
41 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
42 the Planning and Design Fund established pursuant to section 1 of  
43 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal  
44 Loan Fund established pursuant to section 5 of P.L.2009, c.103  
45 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant  
46 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment  
47 Loan Fund established pursuant to section 1 of P.L.2014, c.28  
48 (C.58:11B-9.6) after the date of enactment of P.L.2016, c.30 shall

1 be transferred to the Interim Environmental Financing Program  
2 Fund, and any loan repayments to the trust of principal and interest  
3 or premium on loans made from those funds shall be credited to the  
4 Interim Environmental Financing Program Fund.

5 g. The trust shall create and establish a special fund to be  
6 known as the "Interim Transportation Financing Program Fund" for  
7 the short-term or temporary loan financing or refinancing program  
8 to be known as the "Interim Transportation Financing Program."

9 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1  
10 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary,  
11 the trust may receive funds from any source including, without  
12 limitation, any funds drawn by the trust from a revolving line of  
13 credit or other similar financial vehicle that may be procured by the  
14 trust, either through a competitive or negotiated process, pursuant to  
15 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the  
16 Interim Transportation Financing Program Fund or the trust may  
17 issue its bonds, notes or other obligations in any principal amounts,  
18 in either case, as in the judgment of the trust shall be necessary to  
19 provide sufficient funds to finance or refinance short-term or  
20 temporary loans to local government units or private persons for  
21 any transportation project included on the Department of  
22 Transportation Interim Transportation Financing Program Project  
23 Priority List for the ensuing fiscal year and eligible for approval  
24 pursuant to sections 22 and 34 through 38 of P.L.2016, c.56  
25 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
26 22.3, and C.58:11B-22.4), without regard to any other provisions of  
27 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
28 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
29 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
30 22.3, and C.58:11B-22.4), including, without limitation, any  
31 administrative or legislative approvals.

32 Any short-term or temporary loans made by the trust pursuant to  
33 this subsection may only be made in advance of the anticipated  
34 loans the trust may make and contract to make under the provisions  
35 of subsection a. of this section from any source of funds anticipated  
36 to be received by the trust. Any such short-term or temporary loan  
37 made pursuant to the Interim Transportation Financing Program  
38 shall mature no later than the last day of the third succeeding fiscal  
39 year following the closing date on which the short-term or  
40 temporary loan was made by the trust to the project sponsor; except  
41 a planning, design, and construction loan shall mature no later than  
42 the last day of the fifth succeeding fiscal year following the closing  
43 date of the planning, design, and construction loan or the last day of  
44 the third succeeding fiscal year following the date of construction  
45 certification following the closing date of the planning, design, and  
46 construction loan, whichever is sooner, provided that, in either case,  
47 project planning or engineering design activities shall not exceed  
48 two years from the closing date of the planning, design, and

1 construction loan. With respect to any short-term or temporary loan  
2 or planning, design, and construction loan made by the trust  
3 pursuant to this subsection, the trust may authorize one short-term  
4 supplemental loan for residual expenses thereof upon receipt by the  
5 trust from the Department of Transportation of a certification that  
6 states that the time required by the project sponsor to complete  
7 construction of the project exceeds the maximum maturity date of  
8 the short-term or temporary loan or planning, design, and  
9 construction loan. Any such short-term supplemental loan shall not  
10 exceed in duration the last day of the third succeeding fiscal year  
11 following the loan closing of the short-term supplemental loan. The  
12 trust may make short-term or temporary loans pursuant to the  
13 Interim Transportation Financing Program to any one or more of the  
14 project sponsors, for the respective projects thereof, only if a  
15 project is identified in the Department of Transportation Interim  
16 Transportation Financing Program Project Priority List to be known  
17 as the "Interim Transportation Financing Program Project Priority  
18 List" in the form provided to the Legislature by the Commissioner  
19 of Transportation.

20 The Interim Transportation Financing Program Project Priority  
21 List, including any revision thereof or supplement thereto, shall be  
22 submitted to the Secretary of the Senate and the Clerk of the  
23 General Assembly on or before July 1 of each year. The Interim  
24 Transportation Financing Program Project Priority List shall be  
25 submitted to the Legislature pursuant to section 2 of P.L.1991,  
26 c.164 (C.52:14-19.1) at least once in each fiscal year. The  
27 Secretary and the Clerk shall cause the date of submission to be  
28 entered upon the Senate Journal and the Minutes of the General  
29 Assembly, respectively. Any transportation infrastructure project or  
30 the project sponsor thereof not identified in the Interim  
31 Transportation Financing Program Project Priority List shall not be  
32 eligible for a short-term or temporary loan from the Interim  
33 Transportation Financing Program Fund. The trust may revise or  
34 supplement the Interim Transportation Financing Program Project  
35 Priority List no more than four times during the fiscal year, and  
36 shall submit the revised list to the Legislature when the revisions  
37 are made.

38 No funds may be disbursed pursuant to this subsection for  
39 project activities prior to written notification of award concurrence  
40 from the Department of Transportation and certification in writing,  
41 from the trust, that the project activities satisfy the provisions of  
42 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
43 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
44 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
45 22.3, and C.58:11B-22.4).  
46 (cf: P.L.2019, c.516, s.2)

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48 6. This act shall take effect immediately.

STATEMENT

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This bill would authorize the New Jersey Infrastructure Bank to guarantee or contract to guarantee the payment of all or any portion of the principal and interest on bonds, notes, or other obligations issued by a local government unit, or provide other assistance, in order to provide credit support for, or otherwise facilitate the financing of, the cost of a redevelopment project financed pursuant to the "Redevelopment Area Bond Financing Law," sections 1 through 10 of P.L.2001, c.310 (C.40A:12A-64 et seq.), that includes a wastewater treatment system project, water supply project, or transportation project, for the purposes of the "New Jersey Economic Recovery Act of 2020," P.L.2020, c.156 (C.34:1B-269 et al.). The bill would provide that investments in redevelopment projects authorized under the bill would not require conformance with the rules and regulations of the State Investment Council or approval by the Director of the Division of Investment in the Department of the Treasury.