

SENATE, No. 2499

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 28, 2020

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman PEDRO MEJIA

District 32 (Bergen and Hudson)

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Co-Sponsored by:

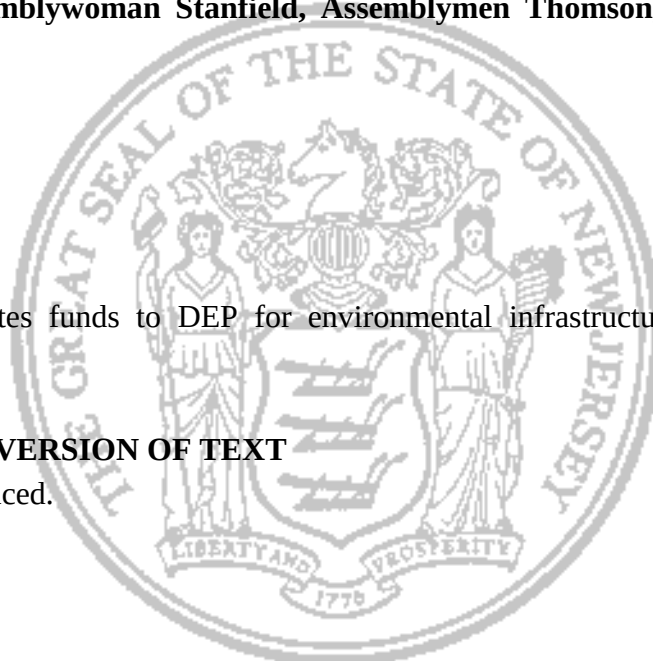
Senators Codey, Ruiz, Assemblymen Verrelli, Freiman, Danielsens, Bramnick, Auth, Bergen, Catalano, Clifton, Dancer, Assemblywoman B.DeCroce, Assemblymen DePhillips, DiMaio, Assemblywomen DiMaso, Dunn, Gove, Assemblymen S.Kean, McClellan, McGuckin, Assemblywoman N.Munoz, Assemblymen Peters, Peterson, Rooney, Scharfenberger, Assemblywoman Schepisi, Assemblymen Simonsen, Space, Assemblywoman Stanfield, Assemblymen Thomson, Webber and Wirths

SYNOPSIS

Appropriates funds to DEP for environmental infrastructure projects for FY2021.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/29/2020)

1 **AN ACT** appropriating moneys to the Department of Environmental
2 Protection for the purpose of making zero interest loans or
3 principal forgiveness loans to project sponsors to finance a
4 portion of the costs of environmental infrastructure projects.

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

8
9 1. a. (1) There is appropriated to the Department of
10 Environmental Protection from the “Clean Water State Revolving
11 Fund,” established pursuant to section 1 of P.L.2009, c.77, an
12 amount equal to the federal fiscal year 2020 capitalization grant
13 made available to the State for clean water project loans pursuant to
14 the “Water Quality Act of 1987,” 33 U.S.C. s.1251 et seq., and any
15 amendatory and supplementary acts thereto (hereinafter referred to
16 as the “Federal Clean Water Act”).

17 (2) There is appropriated to the Department of Environmental
18 Protection from the “Interim Environmental Financing Program
19 Fund,” established by the New Jersey Infrastructure Bank pursuant
20 to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), such
21 amounts as may be necessary to supplement the sums appropriated
22 from the Clean Water State Revolving Fund for the purposes of
23 clean water project loans and providing the State match as may be
24 required for the award of the capitalization grants made available to
25 the State for clean water projects pursuant to the Federal Clean
26 Water Act.

27 (3) There is appropriated to the Department of Environmental
28 Protection from the “Disaster Relief Emergency Financing Program
29 Fund,” established by the New Jersey Infrastructure Bank pursuant
30 to section 1 of P.L.2013, c.93 (C.58:11B-9.5), such amounts as may
31 be necessary to supplement the sums appropriated from the Clean
32 Water State Revolving Fund for the purposes of clean water project
33 loans and providing the State match as may be required for the
34 award of the capitalization grants made available to the State for
35 clean water projects pursuant to the Federal Clean Water Act.

36 (4) There is appropriated to the Department of Environmental
37 Protection from the “Drinking Water State Revolving Fund,”
38 established pursuant to section 1 of P.L.1998, c.84, an amount equal
39 to the federal fiscal year 2020 capitalization grant made available to
40 the State for drinking water projects pursuant to the “Safe Drinking
41 Water Act Amendments of 1996,” Pub.L.104-182, and any
42 amendatory and supplementary acts thereto (hereinafter referred to
43 as the “Federal Safe Drinking Water Act”).

44 The Department of Environmental Protection is authorized to
45 transfer from the Clean Water State Revolving Fund to the Drinking
46 Water State Revolving Fund, pursuant to the “Water Infrastructure
47 Funding Transfer Act,” Pub.L.116-63, additional amounts as may
48 be necessary to address a threat to public health, and an amount

1 equal to the maximum amount authorized to be transferred is
2 appropriated to the department for those purposes.

3 The Department of Environmental Protection is authorized to
4 transfer from the Clean Water State Revolving Fund to the Drinking
5 Water State Revolving Fund an amount up to the maximum amount
6 authorized to be transferred pursuant to the Federal Safe Drinking
7 Water Act to meet present and future needs for the financing of
8 eligible drinking water projects, and an amount equal to that
9 maximum amount is appropriated to the department for those
10 purposes.

11 The Department of Environmental Protection is authorized to
12 transfer from the Drinking Water State Revolving Fund to the Clean
13 Water State Revolving Fund an amount up to the maximum amount
14 authorized to be transferred pursuant to the Federal Clean Water
15 Act to meet present and future needs for the financing of eligible
16 clean water projects, and an amount equal to that maximum amount
17 is appropriated to the department for those purposes.

18 Notwithstanding any provision of this act to the contrary, the
19 Department of Environmental Protection is authorized to utilize
20 funds from the Clean Water State Revolving Fund for the purposes
21 of the Drinking Water State Revolving Fund, and may charge
22 interest on loans made with such invested funds to the extent
23 permitted by the Federal Clean Water Act and the Federal Safe
24 Drinking Water Act.

25 (5) There is appropriated to the Department of Environmental
26 Protection the unappropriated balances from the Clean Water State
27 Revolving Fund, including the balances from the Federal Disaster
28 Relief Appropriations Act, and any repayments of loans and interest
29 therefrom, as may be available on or before June 30, 2021, for the
30 purposes of clean water project loans and providing the State match
31 as may be required for the award of the capitalization grants made
32 available to the State for clean water projects pursuant to the
33 Federal Clean Water Act.

34 (6) There is appropriated to the Department of Environmental
35 Protection the unappropriated balances from the "Wastewater
36 Treatment Fund," established pursuant to section 15 of the
37 "Wastewater Treatment Bond Act of 1985," P.L.1985, c.329, and
38 any repayments of loans and interest therefrom, as may be available
39 on or before June 30, 2021, for the purposes of clean water project
40 loans and providing the State match as may be required for the
41 award of the capitalization grants made available to the State for
42 clean water projects pursuant to the Federal Clean Water Act.

43 (7) There is appropriated to the Department of Environmental
44 Protection the unappropriated balances from the "1992 Wastewater
45 Treatment Fund," established pursuant to section 27 of the "Green
46 Acres, Clean Water, Farmland and Historic Preservation Bond Act
47 of 1992," P.L.1992, c.88, and any repayments of loans and interest
48 therefrom, as may be available on or before June 30, 2021, for the

1 purposes of clean water project loans and providing the State match
2 as may be required for the award of the capitalization grants made
3 available to the State for clean water projects pursuant to the
4 Federal Clean Water Act.

5 (8) There is appropriated to the Department of Environmental
6 Protection the unappropriated balances from the “2003 Water
7 Resources and Wastewater Treatment Fund,” established pursuant
8 to subsection a. of section 19 of the “Dam, Lake, Stream, Flood
9 Control, Water Resources, and Wastewater Treatment Project Bond
10 Act of 2003,” P.L.2003, c.162, and any repayments of loans and
11 interest therefrom, as may be available on or before June 30, 2021,
12 for the purposes of clean water project loans and providing the State
13 match as may be required for the award of the capitalization grants
14 made available to the State for clean water projects pursuant to the
15 Federal Clean Water Act.

16 (9) There is appropriated to the Department of Environmental
17 Protection the unappropriated balances from the “Pinelands
18 Infrastructure Trust Fund,” established pursuant to section 14 of the
19 “Pinelands Infrastructure Trust Bond Act of 1985,” P.L.1985, c.302,
20 and any repayments of loans and interest therefrom, as may be
21 available on or before June 30, 2021, for the purposes of clean
22 water project loans and drinking water project loans and providing
23 the State match as may be required for the award of the
24 capitalization grants made available to the State for clean water
25 projects pursuant to the Federal Clean Water Act and for drinking
26 water projects pursuant to the Federal Safe Drinking Water Act.

27 (10) There is appropriated to the Department of Environmental
28 Protection the unappropriated balances from the “Stormwater
29 Management and Combined Sewer Overflow Abatement Fund,”
30 established pursuant to the “Stormwater Management and
31 Combined Sewer Overflow Abatement Bond Act of 1989,”
32 P.L.1989, c.181, and any repayments of loans and interest
33 therefrom, as may be available on or before June 30, 2021, for the
34 purposes of clean water project loans and providing the State match
35 as may be required for the award of the capitalization grants made
36 available to the State for clean water projects pursuant to the
37 Federal Clean Water Act.

38 (11) There is appropriated to the Department of Environmental
39 Protection the unappropriated balances from the Drinking Water
40 State Revolving Fund and any repayments of loans and interest
41 therefrom, including the balances from the Federal Disaster Relief
42 Appropriations Act as may be available on or before June 30, 2021,
43 for the purposes of drinking water project loans.

44 (12) There is appropriated to the Department of Environmental
45 Protection such sums as may be needed from loan repayments and
46 interest earnings from the “Water Supply Fund,” established
47 pursuant to section 14 of the “Water Supply Bond Act of 1981,”
48 P.L.1981, c.261, for the “Drinking Water State Revolving Fund

1 Match Accounts” contained within that fund, for the purpose of
2 providing the State match as may be required for the award of the
3 capitalization grants made available to the State for drinking water
4 projects pursuant to the Federal Safe Drinking Water Act.

5 (13) There is appropriated to the Department of Environmental
6 Protection from the “Interim Environmental Financing Program
7 Fund,” established by the New Jersey Infrastructure Bank pursuant
8 to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), such
9 amounts as may be available on or before June 30, 2021, and any
10 repayments of loans and interest therefrom, as may be necessary to
11 supplement the sums appropriated from the Drinking Water State
12 Revolving Fund for the purposes of drinking water project loans
13 and providing the State match as may be required for the award of
14 the capitalization grants made available to the State for drinking
15 water projects pursuant to the Federal Safe Drinking Water Act.

16 (14) There is appropriated to the Department of Environmental
17 Protection from the “Disaster Relief Emergency Financing Program
18 Fund,” established by the New Jersey Infrastructure Bank pursuant
19 to section 1 of P.L.2013, c.93 (C.58:11B-9.5), such amounts as may
20 be necessary to supplement the sums appropriated from the
21 Drinking Water State Revolving Fund for the purposes of drinking
22 water project loans and providing the State match as may be
23 required for the award of the capitalization grants made available to
24 the State for drinking water projects pursuant to the Federal Safe
25 Drinking Water Act.

26 (15) There is appropriated to the Department of Environmental
27 Protection such amounts as may be received by the Department of
28 Community Affairs, as the grantee from the United States
29 Department of Housing and Urban Development Community
30 Development Block Grant - Disaster Recovery Program (CDBG-
31 DR), as may be available on or before June 30, 2021, for the
32 purposes of CDBG-DR eligible clean water and drinking water
33 project loans and providing the State match as may be required for
34 the award of the capitalization grants made available to the State for
35 clean water projects pursuant to the Federal Clean Water Act and
36 drinking water projects pursuant to the Federal Safe Drinking Water
37 Act.

38 (16) There is appropriated to the Department of Environmental
39 Protection such sums as may be available on or before June 30,
40 2021, as repayments of drinking water project loans and any interest
41 therefrom from the “Water Supply Fund,” established pursuant to
42 section 14 of the “Water Supply Bond Act of 1981,” P.L.1981,
43 c.261, for the purposes of drinking water project loans and
44 providing the State match as may be required for the award of the
45 capitalization grants made available to the State for drinking water
46 projects pursuant to the Federal Safe Drinking Water Act.

47 (17) Of the sums appropriated to the Department of
48 Environmental Protection from the “Water Supply Fund” pursuant

1 to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70, and P.L.2003,
2 c.158, the department is authorized to transfer any unexpended
3 balances and any repayments of loans and interest therefrom as may
4 be available on or before June 30, 2021, in such amounts as needed
5 to the Drinking Water State Revolving Fund accounts contained
6 within the Water Supply Fund established for the purposes of
7 providing drinking water project loans and providing the State
8 match as may be required for the award of the capitalization grants
9 made available to the State for drinking water projects pursuant to
10 the Federal Safe Drinking Water Act.

11 (18) Of the sums appropriated to the Department of
12 Environmental Protection from the “1992 Wastewater Treatment
13 Fund” pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84,
14 P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222, and P.L.2002,
15 c.70, the department is authorized to transfer any unexpended
16 balances and any repayments of loans and interest therefrom as may
17 be available on or before June 30, 2021, in such amounts as needed
18 to the Clean Water State Revolving Fund accounts contained within
19 the 1992 Wastewater Treatment Fund for the purposes of providing
20 clean water project loans and providing the State match as may be
21 required for the award of the capitalization grants made available to
22 the State for clean water projects pursuant to the Federal Clean
23 Water Act.

24 (19) Of the sums appropriated to the Department of
25 Environmental Protection from the “2003 Water Resources and
26 Wastewater Treatment Fund” pursuant to P.L.2004, c.109 and
27 P.L.2007, c.139, the department is authorized to transfer any
28 unexpended balances and any repayments of loans and interest
29 therefrom as may be available on or before June 30, 2021, in such
30 amounts as needed to the Clean Water State Revolving Fund
31 accounts contained within the 2003 Water Resources and
32 Wastewater Treatment Fund for the purposes of providing clean
33 water project loans and providing the State match as may be
34 required for the award of the capitalization grants made available to
35 the State for clean water projects pursuant to the Federal Clean
36 Water Act.

37 (20) There is appropriated to the Department of Environmental
38 Protection the sums deposited by the New Jersey Infrastructure
39 Bank into the Clean Water State Revolving Fund, the “Wastewater
40 Treatment Fund,” the “1992 Wastewater Treatment Fund,” the
41 “Water Supply Fund,” the “Stormwater Management and Combined
42 Sewer Overflow Abatement Fund,” established pursuant to the
43 “Stormwater Management and Combined Sewer Overflow
44 Abatement Bond Act of 1989,” P.L.1989, c.181, the “2003 Water
45 Resources and Wastewater Treatment Fund,” and the Drinking
46 Water State Revolving Fund, as appropriate, pursuant to paragraph
47 (6) of subsection c. of section 1 of P.L. , c. (pending before the
48 Legislature as Senate Bill No. 2498 of 2020 and Assembly Bill No.

1 of 2020), as may be available on or before June 30, 2021, for the
2 purposes of providing clean water project loans and drinking water
3 project loans and providing the State match as may be required for
4 the award of the capitalization grants made available to the State for
5 clean water projects pursuant to the Federal Clean Water Act and
6 for drinking water projects pursuant to the Federal Safe Drinking
7 Water Act.

8 Any such amounts shall be for the purpose of making zero
9 interest and principal forgiveness financing loans, to the extent
10 sufficient funds are available, to or on behalf of local government
11 units or public water utilities (hereinafter referred to as “project
12 sponsors”) to finance a portion of the cost of the construction of
13 clean water projects and drinking water projects listed in sections 2
14 and 3 of this act, and for the purpose of implementing and
15 administering the provisions of this act, to the extent permitted by
16 the Federal Disaster Relief Appropriations Act, the Federal Clean
17 Water Act, the Federal Safe Drinking Water Act, P.L.2009, c.77,
18 the “Wastewater Treatment Bond Act of 1985.” P.L.1985, c.329,
19 the “Water Supply Bond Act of 1981,” P.L.1981, c.261, the
20 “Stormwater Management and Combined Sewer Overflow
21 Abatement Bond Act of 1989,” P.L.1989, c.181, the “Green Acres,
22 Clean Water, Farmland and Historic Preservation Bond Act of
23 1992,” P.L.1992, c.88, the “Dam, Lake, Stream, Flood Control,
24 Water Resources, and the Wastewater Treatment Project Bond Act
25 of 2003,” P.L.2003, c.162, and any amendatory and supplementary
26 acts thereto.

27 b. The department is authorized to make zero interest and
28 principal forgiveness financing loans to or on behalf of the project
29 sponsors for the environmental infrastructure projects listed in
30 subsection a. of section 2 and subsection a. of section 3 of this act
31 for clean water projects, up to the individual amounts indicated and
32 in the priority stated, to the extent there are sufficient eligible
33 project applications, except that any such amounts may be reduced
34 if a project fails to meet the requirements of sections 4 or 5 of this
35 act, or by the Commissioner of Environmental Protection pursuant
36 to section 7 of this act, provided:

37 (1) a maximum of \$15 million in principal forgiveness loans,
38 plus any appropriated but unallocated funds designated in State
39 fiscal year 2020 for combined sewer overflow projects, shall be
40 issued as provided in subsection a. of section 3 of this act to
41 communities in combined sewer overflow sewersheds sponsoring
42 construction projects that reduce or eliminate discharges from
43 combined sewer overflow outfalls, wherein principal forgiveness
44 loans shall not exceed \$4 million per borrower subject to the
45 availability of funds, and wherein 50 percent of the principal of the
46 fund loan shall be forgiven, 25 percent of the loan shall be a zero
47 interest rate fund loan, and 25 percent of the loan shall be a trust
48 market rate loan. For project costs greater than \$4 million up to and

1 including \$10 million, 75 percent of the loan shall be a zero interest
2 rate fund loan and 25 percent of the loan shall be a trust market rate
3 loan. For project costs greater than \$10 million, 50 percent of the
4 loan shall be a zero interest rate fund loan and 50 percent of the
5 loan shall be a trust market rate loan;

6 (2) a maximum of \$10 million in principal forgiveness loans
7 shall be issued as provided in subsection a. of section 3 of this act
8 for water quality restoration projects wherein principal forgiveness
9 loans shall not exceed \$2 million per borrower subject to the
10 availability of funds, and wherein 50 percent of the principal of the
11 fund loan shall be forgiven, 25 percent of the loan shall be a zero
12 interest rate fund loan, and 25 percent of the loan shall be a trust
13 market rate loan subject to the availability of funds. For project
14 costs greater than \$4 million up to and including \$10 million, 75
15 percent of the loan shall be a zero interest rate fund loan and 25
16 percent of the loan shall be a trust market rate loan. For project
17 costs greater than \$10 million, 50 percent of the loan shall be a zero
18 interest rate fund loan and 50 percent of the loan shall be a trust
19 market rate loan;

20 (3) to the extent funds are available, a maximum of \$500,000 in
21 principal forgiveness loans shall be issued to finance clean water
22 environmental infrastructure projects as provided in subsection a. of
23 section 3 of this act for systems serving populations of up to 10,000
24 residents for the development of asset management plans wherein
25 principal forgiveness shall be 100 percent of the fund loan amount
26 per project in an amount not to exceed \$100,000 per project
27 sponsor; and

28 (4) those projects listed in subsection a. of section 2 of this act
29 and subsection a. of section 3 of this act that were previously
30 identified in P.L.2019, c.193, as amended by P.L.2019, c.514, are
31 granted continued priority status and shall be subject to the
32 provisions of P.L.2019, c.193, as amended by P.L.2019, c.514,
33 provided such projects receive short-term funding prior to June 30,
34 2020.

35 c. The department is authorized to make zero interest and
36 principal forgiveness financing loans to or on behalf of the project
37 sponsors for the environmental infrastructure projects listed in
38 subsection b. of section 3 of this act for drinking water projects, up
39 to the individual amounts indicated and in the priority stated,
40 provided:

41 (1) a maximum of 30 percent of the 2020 Drinking Water State
42 Revolving Fund capitalization grant, not to exceed \$5 million, plus
43 any funds transferred to the Drinking Water State Revolving Fund
44 pursuant to paragraph (4) of subsection a. of this section may be
45 issued as provided in subsection b. of section 3 of this act for
46 drinking water systems, as follows:

47 (a) up to \$4 million of Drinking Water State Revolving Fund
48 loans, plus any appropriated but unallocated funds designated in

1 State fiscal year 2020 for drinking water systems serving
2 populations of up to 10,000 residents, shall be available for drinking
3 water systems serving populations of up to 10,000 residents
4 wherein principal forgiveness shall not exceed \$500,000 in the
5 aggregate and shall not exceed 50 percent of the total loan amount
6 per project sponsor in an amount not to exceed \$1 million per
7 project sponsor.

8 Loans for drinking water systems serving 500 or fewer residents
9 shall be given the highest priority, followed by systems serving 501
10 to 10,000 residents;

11 (b) a maximum of \$500,000 in principal forgiveness loans shall
12 be issued to drinking water systems serving populations of up to
13 10,000 residents for the development of asset management plans
14 wherein principal forgiveness shall be 100 percent of the fund loan
15 amount per project in an amount not to exceed \$100,000 per project
16 sponsor subject to the availability of funds; and

17 (c) a maximum of \$10 million of principal forgiveness for
18 drinking water systems serving communities with a population of
19 up to 1,000 residents for corrosion control treatment and lead
20 service line replacement projects wherein principal forgiveness
21 shall not exceed 90 percent of the total fund loan amount of \$1
22 million per water system;

23 (2) up to \$103 million of moneys from the Drinking Water State
24 Revolving Fund, plus any appropriated but unallocated funds
25 designated in State fiscal year 2020, may be issued for principal
26 forgiveness loans for drinking water systems serving communities
27 with a weighted median household income less than the median
28 household income for the State to finance lead service line
29 replacements, wherein principal forgiveness shall not exceed 50
30 percent of the total fund loan amount of: \$2 million per water
31 system for systems with fewer than 1,000 known lead service lines,
32 \$10 million per water system for systems with 1,000 to 5,000
33 known lead service lines, and \$40 million per water system for
34 systems with greater than 5,000 known lead service lines.

35 Loans may be made pursuant to this subsection to the extent
36 there are sufficient eligible project applications and as may be
37 required for the award of the capitalization grants made available to
38 the State for drinking water projects pursuant to the Federal Safe
39 Drinking Water Act. Any such amounts may be reduced by the
40 Commissioner of Environmental Protection pursuant to section 7 of
41 this act, or if a project fails to meet the requirements of section 4 or
42 5 of this act; and

43 (3) Those projects listed in subsections a. and b. of section 3 of
44 this act that were previously identified in P.L.2019, c.193, as
45 amended by P.L.2019, c.514, are granted continued priority status
46 and shall be subject to the provisions of P.L.2019, c.193, as
47 amended by P.L.2019, c.514, provided such projects receive short-
48 term funding prior to June 30, 2020.

1 d. The department is authorized to make zero interest and
2 principal forgiveness financing loans to or on behalf of the project
3 sponsors for the environmental infrastructure projects listed in
4 sections 2 and 3 of this act under the same terms, conditions and
5 requirements set forth in this section from any unexpended balances
6 of the amounts appropriated pursuant to section 1 of P.L.1987,
7 c.200, section 2 of P.L.1988, c.133, section 1 of P.L.1989, c.189,
8 section 1 of P.L.1990, c.99, section 1 of P.L.1991, c.325, section 1
9 of P.L.1992, c.38, section 1 of P.L.1993, c.193, section 1 of
10 P.L.1994, c.106, section 1 of P.L.1995, c.219, section 1 of
11 P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2 of P.L.1998,
12 c.84, section 2 of P.L.1999, c.174, section 2 of P.L.2000, c.92,
13 sections 1 and 2 of P.L.2001, c.222, sections 1 and 2 of P.L.2002,
14 c.70, sections 1 and 2 of P.L.2003, c.158, sections 1 and 2 of
15 P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196, sections 1 and
16 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007, c.139, sections 1
17 and 2 of P.L.2008, c.68, sections 1 and 2 of P.L.2009, c.102,
18 sections 1 and 2 of P.L.2010, c.63, sections 1 and 2 of P.L.2011,
19 c.93, sections 1 and 2 of P.L.2012, c.43, sections 1 and 2 of
20 P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, sections 1 and 2
21 of P.L.2015, c.108, sections 1 and 2 of P.L.2016, c.32, as amended
22 by P.L.2017, c.14, sections 1 and 2 of P.L.2017, c.143, as amended
23 by P.L.2017, c.326, sections 1 and 2 of P.L.2018, c.85, as amended
24 by P.L.2018, c.137 and P.L.2019, c.12, and sections 1 and 2 of
25 P.L.2019, c.193, as amended by P.L.2019, c.514, including amounts
26 resulting from the low bid and final building cost reductions
27 authorized pursuant to section 6 of P.L.1987, c.200, section 7 of
28 P.L.1988, c.133, section 6 of P.L.1989, c.189, section 6 of
29 P.L.1990, c.99, section 6 of P.L.1991, c.325, section 6 of P.L.1992,
30 c.38, section 6 of P.L.1993, c.193, section 6 of P.L.1994, c.106,
31 section 6 of P.L.1995, c.219, section 6 of P.L.1996, c.85, section 6
32 of P.L.1997, c.221, section 7 of P.L.1998, c.84, section 6 of
33 P.L.1999, c.174, section 6 of P.L.2000, c.92, section 6 of P.L.2001,
34 c.222, section 6 of P.L.2002, c.70, section 6 of P.L.2003, c.158,
35 section 6 of P.L.2004, c.109, section 6 of P.L.2005, c.196, section 6
36 of P.L.2006, c.68, section 6 of P.L.2007, c.139, section 6 of
37 P.L.2008, c.68, section 7 of P.L.2009, c.102, section 6 of P.L.2010,
38 c.63, section 6 of P.L.2011, c.93, section 6 of P.L.2012, c.43,
39 section 6 of P.L.2013, c.95, section 7 of P.L.2014, c.25, section 7 of
40 P.L.2015, c.108, section 7 of P.L.2016, c.32, as amended by
41 P.L.2017, c.14, section 7 of P.L.2017, c.143 as amended by
42 P.L.2017, c.326, section 7 of P.L.2018, c.85, as amended by
43 P.L.2018, c.137 and P.L.2019, c.12, and section 7 of P.L.2019,
44 c.193, as amended by P.L.2019, c.514, and from any repayments of
45 loans and interest from the Clean Water State Revolving Fund, the
46 "Wastewater Treatment Fund," the "Water Supply Fund," the "1992
47 Wastewater Treatment Fund," the "2003 Water Resources and
48 Wastewater Treatment Fund," and amounts deposited therein during

1 State fiscal year 2019 and State fiscal year 2020 pursuant to the
2 provisions of section 16 of P.L.1985, c.329, and section 2 of
3 P.L.2009, c.77 and any amendatory and supplementary acts thereto,
4 including any Clean Water State Revolving Fund Accounts
5 contained within the "Wastewater Treatment Fund," and from any
6 repayment of loans and interest from the Drinking Water State
7 Revolving Fund.

8 e. The department is authorized to make zero interest and
9 principal forgiveness Sandy financing loans to or on behalf of the
10 project sponsors for the Sandy environmental infrastructure projects
11 listed in subsection a. of section 3 of this act for clean water
12 projects, in a manner consistent with the Federal Disaster Relief
13 Appropriations Act, up to the individual amounts indicated, except
14 that any such amount may be reduced by the Commissioner of
15 Environmental Protection pursuant to section 7 of this act, or if a
16 project fails to meet the requirements of section 4, 5, or 7 of this
17 act, provided a maximum of \$300 million shall be provided for
18 Sandy financing loans for clean water projects to provide financial
19 assistance to communities affected by the Storm Sandy, and for
20 projects whose purpose is to reduce flood damage risk and
21 vulnerability or to enhance resiliency to rapid hydrologic change or
22 a natural disaster.

23 f. For the purposes of this act:

24 "Base financing" means zero interest loans provided by the
25 Department of Environmental Protection from moneys made
26 available for the purposes of this act from any source other than
27 funds received pursuant to the Federal Disaster Relief
28 Appropriations Act, related State matching funds, and interest
29 earned thereon.

30 "Federal Disaster Relief Appropriations Act" means the
31 "Disaster Relief Appropriations, 2013," Pub.L.113-2, and any
32 amendatory and supplementary acts thereto.

33 "Sandy financing" or "Sandy funding" means grants, zero
34 interest loans or principal forgiveness loans provided by the
35 Department of Environmental Protection from funds made available
36 to the State for clean water projects or clean water project match,
37 pursuant to the Federal Disaster Relief Appropriations Act.

38

39 2. a. (1) The department is authorized to expend funds for
40 the purpose of making supplemental zero interest loans to or on
41 behalf of the project sponsors listed below for the following clean
42 water environmental infrastructure projects:

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Elizabeth City	S340942-19R	\$206,250	\$275,000
Ocean Twp. SA	S340750-14R	\$750,000	\$1,000,000
Paterson City	S340850-03-1	\$1,800,000	\$2,400,000
Rockaway Valley RSA	S340821-06-1	\$581,250	\$775,000
Somerville Borough	S342013-01-1	\$1,387,500	\$1,850,000
Total Projects: 5		\$4,725,000	\$6,300,000

1
2 (2) The loans authorized in this subsection shall be made for the
3 difference between the allowable loan amounts required by these
4 projects based upon final building costs pursuant to section 7 of this
5 act and the loan amounts certified by the Commissioner of
6 Environmental Protection in State fiscal years 2008, 2019, and 2020
7 and for increased allowable costs as defined and determined in
8 accordance with the rules and regulations adopted by the
9 department pursuant to section 4 of P.L.1985, c.329. The loans
10 authorized in this subsection shall be made to or on behalf of the
11 project sponsors listed, up to the individual amounts indicated and
12 in the priority stated, to the extent sufficient funds are available,
13 except as a project fails to meet the requirements of section 4, 5, or
14 7 of this act.

15 (3) The zero interest loans for the projects authorized in this
16 subsection shall have priority over projects listed in subsection a. of
17 section 3 of this act.

18 b. (1) The Department of Environmental Protection is
19 authorized to expend funds for the purpose of making supplemental
20 loans to or on behalf of the project sponsors listed below for the
21 following drinking water environmental infrastructure projects:
22

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Newark City	0714001-016R	\$1,275,000	\$1,700,000
North Jersey District Water Supply Comm.	1613001-025R	\$19,125,000	\$25,500,000
Total Projects: 2		\$20,400,000	\$27,200,000

1 (2) The loans authorized in this subsection shall be made for the
2 difference between the allowable loan amount required by these
3 projects based upon final building costs pursuant to section 7 of this
4 act and the loan amounts certified by the Commissioner of
5 Environmental Protection in State fiscal year 2020 and for increased
6 allowable costs as defined and determined in accordance with the
7 rules and regulations adopted by the department pursuant to section
8 5 of P.L.1981, c.261. The loans authorized in this subsection shall
9 be made to or on behalf of the project sponsors listed, up to the
10 individual amounts indicated and in the priority stated, to the extent
11 sufficient funds are available, except as a project fails to meet the
12 requirements of section 4, 5, or 7 of this act.

13 (3) The zero interest loans for the projects authorized in this
14 subsection shall have priority over projects listed in subsection b. of
15 section 3 of this act.

16 c. The Department of Environmental Protection is authorized
17 to adjust the allowable Department of Environmental Protection
18 loan amount for projects authorized in this section to between zero
19 percent and 100 percent of the total allowable loan amount, and, if
20 the Department of Environmental Protection loan amount is
21 adjusted to 100 percent of the total allowable loan amount, the loan
22 shall be provided pursuant to the terms and conditions of the
23 financing program year in which the trust issued an interim
24 financing program loan for the project or, in the absence of an
25 interim financing program loan, the terms and conditions of the
26 State fiscal year 2021 financing program.

27
28 3. a. (1) The following environmental infrastructure projects
29 shall be known and may be cited as the “Storm Sandy and State
30 Fiscal Year 2021 Clean Water Project Eligibility List”:
31

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Camden County MUA	S340640-17	\$2,625,000	\$3,500,000
Camden County MUA	S340640-24	\$4,875,000	\$6,500,000
Rahway Valley SA	S340547-14	\$7,125,000	\$9,500,000
Rahway Valley SA	S340547-15	\$1,941,389	\$2,588,518
Camden County MUA	S340640-22	\$2,625,000	\$3,500,000
Camden County MUA	S340640-23	\$4,200,000	\$5,600,000
Newark City	S340815-28	\$4,500,000	\$6,000,000
Camden County MUA	S340640-16	\$9,975,000	\$13,300,000

S2499 B.SMITH, BATEMAN

14

Newark City	S340815-24	\$15,750,000	\$21,000,000
Camden City	S340366-15	\$9,997,500	\$13,330,000
Camden County MUA	S340640-18	\$63,022,500	\$84,030,000
North Bergen MUA	S340652-14	\$17,250,000	\$23,000,000
Jersey City MUA	S340928-15	\$30,750,000	\$41,000,000
Jersey City MUA	S340928-20	\$5,400,000	\$7,200,000
Jersey City MUA	S340928-21	\$9,750,000	\$13,000,000
Jersey City MUA	S340928-28	\$2,025,000	\$2,700,000
Jersey City MUA	S340928-31	\$8,294,700	\$11,059,600
Jersey City MUA	S340928-34	\$885,885	\$1,181,180
Elizabeth City	S340942-17	\$4,875,000	\$6,500,000
Camden County MUA	S340640-13	\$9,600,000	\$12,800,000
Long Branch SA	S340336-08	\$1,305,525	\$1,740,700
Ocean County UA	S340372-62	\$3,225,000	\$4,300,000
Ocean County UA	S340372-59	\$5,715,000	\$7,620,000
Hoboken City	S340635-07	\$3,750,000	\$5,000,000
Hoboken City	S340635-09	\$375,000	\$500,000
Mount Laurel Twp. MUA	S340943-06	\$6,000,000	\$8,000,000
Jersey City	S340928-30	\$2,033,250	\$2,711,000
North Hudson SA	S340952-30	\$17,400,000	\$23,200,000
North Hudson SA	S345190-01	\$4,500,000	\$6,000,000
Riverside SA	S340490-01	\$630,000	\$840,000
Perth Amboy City	S340435-11	\$4,844,513	\$6,459,351
Perth Amboy City	S340435-14	\$1,956,000	\$2,608,000
Perth Amboy City	S345220-01	\$750,000	\$1,000,000
Hackensack City	S340923-14	\$6,000,000	\$8,000,000
Somerset Raritan Valley SA	S340801-09	\$4,875,000	\$6,500,000
Passaic Valley SC	S340689-48	\$675,308	\$900,410
Passaic Valley SC	S340689-38	\$15,750,000	\$21,000,000

S2499 B.SMITH, BATEMAN

15

Passaic Valley SC	S345200-01	\$6,000,000	\$8,000,000
Passaic Valley SC	S345200-02	\$1,500,000	\$2,000,000
Passaic Valley SC	S340689-30	\$2,775,000	\$3,700,000
Passaic Valley SC	S340689-32	\$7,500,000	\$10,000,000
Northwest Bergen County UA	S340700-16	\$3,675,000	\$4,900,000
Bergen County UA	S340386-21	\$5,700,000	\$7,600,000
Linden Roselle SA	S340299-09	\$1,575,000	\$2,100,000
Linden Roselle SA	S340299-08	\$12,750,000	\$17,000,000
Lambertville MUA	S340882-09	\$1,350,000	\$1,800,000
Raritan Twp. MUA	S340485-12	\$3,675,000	\$4,900,000
Clinton Town	S340924-08	\$3,075,000	\$4,100,000
Gloucester County UA	S340902-15	\$8,625,000	\$11,500,000
Stafford Twp.	S344100-03	\$4,200,000	\$5,600,000
Allentown Borough	S340567-05	\$3,825,000	\$5,100,000
JMEUC - East Orange City	S340686-09a	\$465,378	\$620,504
JMEUC - Elizabeth City	S340686-09b	\$4,879,407	\$6,505,876
JMEUC - Hillside Twp.	S340686-09c	\$681,323	\$908,430
JMEUC - Irvington Twp.	S340686-09d	\$1,689,260	\$2,252,347
JMEUC - Newark City	S340686-09e	\$1,022,282	\$1,363,042
JMEUC - South Orange Village Twp.	S340686-09f	\$488,105	\$650,806
JMEUC - Summit City	S340686-09g	\$889,742	\$1,186,322
JMEUC - Union Twp.	S340686-09h	\$1,837,001	\$2,449,335
JMEUC - West Orange Twp.	S340686-09i	\$1,189,072	\$1,585,429
Howell Twp.	S344040-02	\$11,010,000	\$14,680,000
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
Rockaway Valley RSA	S340821-07	\$6,150,000	\$8,200,000
Ocean County	S344080-09	\$975,000	\$1,300,000

S2499 B.SMITH, BATEMAN

16

Western Monmouth UA	S340128-06	\$9,825,000	\$13,100,000
Chatham (MCJM) Borough	S340715-07A	\$2,250,000	\$3,000,000
Madison (MCJM) Borough	S340715-07B	\$3,750,000	\$5,000,000
Point Pleasant Beach Borough	S344190-02	\$2,362,500	\$3,150,000
Long Branch SA	S340336-09	\$4,200,000	\$5,600,000
Manasquan River RSA	S340911-03	\$495,000	\$660,000
Delran Twp.	S340794-10	\$1,575,000	\$2,100,000
Middlesex County UA	S340699-14	\$8,250,000	\$11,000,000
Monmouth County Bayshore Outfall Authority	S340325-04	\$2,625,000	\$3,500,000
Ocean County UA	S340372-60	\$652,500	\$870,000
Brick Twp. MUA	S340448-11	\$4,275,000	\$5,700,000
Northwest Bergen County UA	S340700-15	\$5,250,000	\$7,000,000
Northwest Bergen County UA	S340700-18	\$1,500,000	\$2,000,000
Northwest Bergen County UA	S340700-19	\$6,099,338	\$8,132,450
Western Monmouth UA	S340128-05	\$5,887,500	\$7,850,000
Old Bridge MUA	S340945-14	\$2,700,000	\$3,600,000
Franklin Twp. SA	S340839-08	\$3,150,000	\$4,200,000
Evesham MUA	S340838-07	\$1,200,000	\$1,600,000
Winslow Twp.	S340895-10	\$1,275,000	\$1,700,000
Ocean Twp. SA	S340750-12	\$3,375,000	\$4,500,000
Vernon Twp.	S340745-03	\$82,500	\$110,000
Scotch Plains Twp.	S340512-01	\$2,025,000	\$2,700,000
West Deptford Twp.	S340947-05	\$1,061,250	\$1,415,000
Princeton	S340656-11	\$2,944,259	\$3,925,678
Warren Twp. SA	S340964-05	\$8,100,000	\$10,800,000
Middlesex Borough	S340698-02	\$1,926,563	\$2,568,750
Red Bank Borough	S340528-01	\$1,125,000	\$1,500,000
North Haledon Borough	S340229-02	\$75,000	\$100,000

S2499 B.SMITH, BATEMAN

17

Glen Ridge Borough	S340861-03	\$334,387	\$445,849
Glen Ridge Borough	S340861-04	\$1,725,000	\$2,300,000
Emerson Borough	S340497-01	\$75,000	\$100,000
Bradley Beach Borough	S340472-01	\$2,025,000	\$2,700,000
Lambertville MUA	S340882-10	\$525,000	\$700,000
Hamburg Borough	S340149-03	\$75,000	\$100,000
Long Beach Twp.	S340023-07	\$3,450,000	\$4,600,000
Long Beach Twp.	S340023-08	\$90,000	\$120,000
Passaic Valley SC	S340689-45	\$7,657,577	\$10,210,102
Lakewood Twp. MUA	S340465-02	\$3,240,000	\$4,320,000
Cumberland County	S340438-03	\$12,750,000	\$17,000,000
Cranford Twp.	S340858-04	\$9,000,000	\$12,000,000
Gloucester Twp.	S340364-11	\$712,500	\$950,000
Gloucester Twp.	S340364-15	\$1,087,500	\$1,450,000
Spotswood Borough	S340510-01	\$4,070,250	\$5,427,000
Paulsboro Borough	S340164-01	\$2,062,500	\$2,750,000
North Hudson SA	S340952-36	\$675,000	\$900,000
Clinton Town	S340924-07	\$600,000	\$800,000
Sussex County MUA	S342008-04	\$5,552,370	\$7,403,160
Kearny Town	S340259-12	\$16,125,000	\$21,500,000
Burlington City	S340140-02	\$1,950,000	\$2,600,000
Willingboro MUA	S340132-11	\$7,500,000	\$10,000,000
Lakewood Twp. MUA	S340465-03	\$1,312,500	\$1,750,000
Bloomfield Twp.	S340516-01	\$5,423,228	\$7,230,970
Brick Twp. MUA	S340448-14	\$1,500,000	\$2,000,000
North Brunswick Twp.	S340888-02	\$6,000,000	\$8,000,000
Manchester Twp.	S340650-08	\$2,250,000	\$3,000,000
Point Pleasant Beach Borough	S340479-04	\$1,447,500	\$1,930,000
Allentown Borough	S340567-06	\$498,704	\$664,938

Ship Bottom Borough	S340311-04	\$2,062,500	\$2,750,000
Total Projects: 123		\$583,016,066	\$777,354,747

(2) The Department of Environmental Protection is authorized to make clean water project loans to the following municipalities receiving funding from the “Pinelands Infrastructure Trust Fund,” established pursuant to section 14 of the “Pinelands Infrastructure Trust Bond Act of 1985,” P.L.1985, c.302:

Project Sponsor	Project Number	Estimated Total Loan Amount
Pemberton Twp.	Pinelands 1	\$2,929,000
Manchester Twp./ Jackson MUA	Pinelands 2	\$7,192,035
Galloway Twp.	Pinelands 4	\$3,493,440
Winslow Twp.	Pinelands 5	\$1,728,940
Total Pinelands Projects: 4		\$15,343,415

b. The following environmental infrastructure projects shall be known and may be cited as the “State Fiscal Year 2021 Drinking Water Project Eligibility List”:

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Newark City	0714001-020	\$13,125,000	\$17,500,000
Newark City	0714001-019	\$9,375,000	\$12,500,000
Trenton City	1111001-011	\$15,255,000	\$20,340,000
Bloomfield Twp.	0702001-003	\$823,796	\$1,098,395
NJ American Water Co., Inc.	1345001-017	\$7,575,000	\$10,100,000
Burlington City	0305001-002	\$2,700,000	\$3,600,000
Moorestown Twp.	0322001-001	\$18,468,750	\$24,625,000
Brick Twp. MUA	1506001-011	\$15,667,500	\$20,890,000
East Greenwich	0803001-004	\$1,950,000	\$2,600,000
Jersey City MUA	0906001-017	\$1,305,180	\$1,740,240
Newark City	0714001-018	\$3,862,500	\$5,150,000

S2499 B.SMITH, BATEMAN

19

Jersey City MUA	0906001-019	\$5,025,000	\$6,700,000
NJ American Water Co., Inc.	1345001-021	\$19,758,750	\$26,345,000
Manchester Twp.	1518005-002	\$4,125,000	\$5,500,000
Paulsboro Borough	0814001-003	\$2,100,000	\$2,800,000
Jersey City MUA	0906001-009	\$2,077,500	\$2,770,000
Middlesex Water Co.	1225001-028	\$8,400,000	\$11,200,000
Hoboken City	0905001-002	\$6,000,000	\$8,000,000
Wall Twp.	1352003-001	\$1,350,000	\$1,800,000
Wall Twp.	1352003-002	\$2,775,000	\$3,700,000
Clinton Town	1005001-010	\$1,086,140	\$1,448,187
Clinton Town	1005001-011	\$949,355	\$1,265,807
Spotswood Borough	1224001-001	\$2,582,936	\$3,443,914
Glen Ridge Borough	0708001-008	\$1,929,908	\$2,573,210
Jersey City MUA	0906001-020	\$4,965,000	\$6,620,000
Jersey City MUA	0906001-021	\$8,250,000	\$11,000,000
Jackson Twp. MUA	1511001-013	\$15,000,000	\$20,000,000
Berkeley Twp. MUA	1505004-009	\$1,875,000	\$2,500,000
Jersey City MUA	0906001-015	\$2,691,950	\$3,589,266
Hoboken City	0905001-001	\$6,375,000	\$8,500,000
Middlesex Water Co.	1225001-025	\$42,750,000	\$57,000,000
Evesham MUA	0313001-001	\$1,950,000	\$2,600,000
Brick Twp. MUA	1506001-009	\$4,446,570	\$5,928,760
Clinton Town	1005001-012	\$2,625,000	\$3,500,000
Milltown Borough	1212001-005	\$1,350,000	\$1,800,000
NJ American Water Co., Inc.	2004002-013	\$12,000,000	\$16,000,000
Jackson Twp. MUA	1511001-012	\$8,250,000	\$11,000,000
Hampton Borough	1013001-001	\$1,350,000	\$1,800,000
Little Egg Harbor MUA	1516001-003	\$4,143,750	\$5,525,000
National Park Borough	0812001-004	\$1,275,000	\$1,700,000

Hopatcong Borough	1912001-004	\$75,000	\$100,000
Hamburg Borough	1909001-001	\$63,750	\$85,000
Highbridge Borough	1014001-001	\$75,000	\$100,000
Hardyston MUA	1911006-003	\$75,000	\$100,000
Total Projects: 44		\$267,853,335	\$357,137,779

- 1
- 2 c. The Department of Environmental Protection is authorized
- 3 to adjust the allowable Department of Environmental Protection
- 4 loan amount for projects authorized in this section to between zero
- 5 percent and 100 percent of the total allowable loan amount, and, if
- 6 the Department of Environmental Protection loan amount is
- 7 adjusted to 100 percent of the total allowable loan amount, the loan
- 8 shall be provided pursuant to the terms and conditions of the
- 9 financing program year in which the trust issued an interim
- 10 financing program loan for the project or, in the absence of an
- 11 interim financing program loan, the terms and conditions of the
- 12 State fiscal year 2021 financing program.
- 13
- 14 4. Any financing loan made by the Department of
- 15 Environmental Protection pursuant to this act shall be subject to the
- 16 following requirements:
- 17 a. The Commissioner Environmental Protection has certified
- 18 that the project is in compliance with the provisions of P.L.1977,
- 19 c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997,
- 20 c.225, or P.L.2003, c.162, and any rules and regulations adopted
- 21 pursuant thereto;
- 22 b. A loan for an environmental infrastructure project listed in
- 23 section 2 or 3 of this act shall be subject to the terms and conditions
- 24 of the financing program year in which the trust issued an interim
- 25 financing program loan for the project or, in the absence of an
- 26 interim financing program loan, the terms and conditions of the
- 27 State fiscal year 2021 financing program;
- 28 c. Notwithstanding the provisions of sections 2 and 3 of this
- 29 act, the Department of Environmental Protection allowable loan
- 30 amount may be 100 percent of the total allowable loan amount for:
- 31 (1) clean water project and drinking water project loans to (a)
- 32 municipalities that do not satisfy the New Jersey Infrastructure
- 33 Bank credit policy but are subject to State financial supervision and
- 34 oversight pursuant to the “Local Government Supervision Act
- 35 (1947),” P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal,
- 36 county, or regional sewerage authorities, or utilities authorities, that
- 37 do not satisfy the New Jersey Infrastructure Bank credit policy but
- 38 where the municipal participant through its service agreement with
- 39 the authority or utility is under State financial supervision and
- 40 oversight pursuant to the “Local Government Supervision Act

1 (1947),” P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment
2 obligation of the authority or utility is secured by the full faith and
3 credit of the participating municipality pursuant to the service
4 agreement; and

5 (2) clean water and drinking water loans to municipalities
6 receiving funding under the United States Department of Housing
7 and Urban Development Community Development Block Grant –
8 Disaster Recovery Program (CDBG-DR);

9 d. With the exception of a loan for which the Department of
10 Environmental Protection issues 100 percent of the loan amount
11 pursuant to subsection b. of section 2, subsection c. of section 3,
12 and subsection c. of this section, the loan shall be conditioned upon
13 approval of a loan from the New Jersey Infrastructure Bank
14 pursuant to P.L. , c. (pending before the Legislature as Senate
15 Bill No. 2498 of 2020 and Assembly Bill No. of 2020), prior to
16 June 30, 2021;

17 e. The loan shall be repaid within a period not to exceed 30
18 years, or 45 years for combined sewer overflow abatement projects,
19 of the making of the loan; and

20 f. The loan shall be subject to any other terms and conditions
21 as may be established by the commissioner and approved by the
22 State Treasurer, which may include, notwithstanding any other
23 provision of law to the contrary, subordination of a loan authorized
24 in this act to loans made by the New Jersey Infrastructure Bank
25 pursuant to P.L. , c. (pending before the Legislature as Senate
26 Bill No. 2498 of 2020 and Assembly Bill No. of 2020), or to
27 administrative fees payable to the trust pursuant to subsection o. of
28 section 5 of P.L.1985, c.334 (C.58:11B-5).

29
30 5. Any Sandy financing loan made by the Department of
31 Environmental Protection pursuant to this act shall be subject to the
32 following requirements:

33 a. The commissioner has certified that the project is in
34 compliance with the provisions of Title X, Chapter 7 of the Federal
35 Disaster Relief Appropriations Act;

36 b. The commissioner has certified that the project is in
37 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329,
38 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003,
39 c.162, and any rules and regulations adopted pursuant thereto; and

40 c. The loan shall be subject to any other terms and conditions
41 as may be established by the commissioner and approved by the
42 State Treasurer, which may include, notwithstanding any other
43 provision of law to the contrary, subordination of a loan authorized
44 in this act to loans made by the trust pursuant to P.L. , c.
45 (pending before the Legislature as Senate Bill No. 2498 of 2020 and
46 Assembly Bill No. of 2020) prior to June 30, 2021, or to
47 administrative fees payable to the trust pursuant to subsection o. of
48 section 5 of P.L.1985, c.334 (C.58:11B-5).

1 6. The eligibility lists and authorization for the making of loans
2 pursuant to sections 2 and 3 of this act shall expire on July 1, 2021,
3 and any project sponsor which has not executed and delivered a
4 loan agreement with the department for a loan authorized in this act
5 shall no longer be entitled to that loan.

6
7 7. The Commissioner of Environmental Protection is
8 authorized to reduce or increase the individual amount of loan funds
9 made available to or on behalf of project sponsors pursuant to
10 sections 2 and 3 of this act based upon final or low bid building
11 costs defined in and determined in accordance with rules and
12 regulations adopted by the commissioner pursuant to section 4 of
13 P.L.1985, c.329, section 2 of P.L.1999, c.362 (C.58:12A-12.2), or
14 section 5 of P.L.1981, c.261, provided that the total loan amount
15 does not exceed the estimated total allowable loan amount. The
16 commissioner is authorized to reduce or increase the individual
17 amount of loan funds made available to or on behalf of project
18 sponsors pursuant to sections 2 and 3 of this act in an amount not to
19 exceed 10 percent of the total allowable loan amount based upon
20 additional project costs to comply with the Department of
21 Environmental Protection's guidance for asset management,
22 emergency response, flood protection, and auxiliary power.

23
24 8. The expenditure of the funds appropriated by this act is
25 subject to the provisions and conditions of P.L.1977, c.224,
26 P.L.1085, c.302, P.L.1985, c.329, P.L.1989, c.181, P.L.1992, c.88,
27 P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and the rules
28 and regulations adopted by the Commissioner of Environmental
29 Protection pursuant thereto, and the provisions of the Federal
30 Disaster Relief Appropriations Act, the Federal Clean Water Act,
31 and the Federal Safe Drinking Water Act, and any amendatory and
32 supplementary acts thereto.

33
34 9. The Department of Environmental Protection shall provide
35 general technical assistance to any project sponsor requesting
36 assistance regarding environmental infrastructure project
37 development or applications for funds for a project.

38
39 10. a. Prior to repayment to the Clean Water State Revolving
40 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any
41 amendatory and supplementary acts thereto, prior to repayment to
42 the "Wastewater Treatment Fund" pursuant to the provisions of
43 section 16 of P.L.1985, c.329, prior to repayment to the "1992
44 Wastewater Treatment Fund" pursuant to the provisions of section
45 28 of P.L.1992, c.88, prior to repayment to the Drinking Water
46 State Revolving Fund, prior to repayment to the "Stormwater
47 Management and Combined Sewer Overflow Abatement Fund"
48 pursuant to the provisions of section 15 of P.L.1989, c.181, prior to

1 repayment to the “2003 Water Resources and Wastewater
2 Treatment Fund” pursuant to the provisions of section 20 of
3 P.L.2003, c.162, prior to repayment to the “Water Supply Fund”
4 pursuant to the provisions of section 15 of P.L.1981, c.261, or prior
5 to the repayment to the “Pinelands Infrastructure Trust Fund”
6 pursuant to the provisions of section 5 of P.L.1985, c.302,
7 repayments of loans made pursuant to these acts may be utilized by
8 the New Jersey Infrastructure Bank established pursuant to
9 P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and
10 supplemented by P.L.1997, c.224, under terms and conditions
11 established by the commissioner and trust, approved by the State
12 Treasurer, and consistent with the provisions of P.L.1985, c.334
13 (C.58:11B-1 et seq.) and federal tax, environmental or securities
14 law, to the extent necessary to secure repayment of trust bonds
15 issued to finance loans approved pursuant to P.L. c. (pending
16 before the Legislature as Senate Bill No. 2498 of 2020 and
17 Assembly Bill No. of 2020), and to secure the administrative fees
18 payable to the trust pursuant to subsection o. of section 5 of
19 P.L.1985, c.334 (C.58:11B-5) by the project sponsors receiving
20 trust loans.

21 b. Prior to repayment to the Clean Water State Revolving Fund
22 pursuant to section 1 and 2 of P.L.2009, c.77 and any amendatory
23 and supplementary acts thereto, prior to repayment to the
24 “Wastewater Treatment Fund” pursuant to the provisions of section
25 16 of P.L.1985, c.329, prior to repayment to the “1992 Wastewater
26 Treatment Fund” pursuant to the provisions of section 28 of
27 P.L.1992, c.88, prior to repayment to the “Water Supply Fund”
28 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to
29 repayment to the Drinking Water State Revolving Fund, prior to
30 repayment to the “2003 Water Resources and Wastewater
31 Treatment Fund” pursuant to the provisions of section 20 of
32 P.L.2003, c.162, prior to repayment to the “Stormwater
33 Management and Combined Sewer Overflow Abatement Fund”
34 pursuant to the provisions of section 15 of P.L.1989, c.181, or prior
35 to repayment to the “Pinelands Infrastructure Trust Fund” pursuant
36 to the provisions of section 5 of P.L.1985, c.302, the trust is further
37 authorized to utilize repayments of loans made pursuant to
38 P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38,
39 P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85,
40 P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92,
41 P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109,
42 P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68,
43 P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43,
44 P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, P.L.2016, c.32,
45 P.L.2017, c.143, as amended by P.L.2017, c.326, P.L.2018, c.85, as
46 amended by P.L.2018, c.137, P.L.2019, c.12, P.L.2019, c.193, as
47 amended by P.L.2019, c.514, or P.L. , c. (pending before the
48 Legislature as this bill) to secure repayment of trust bonds issued to

1 finance loans approved pursuant to P.L.1995, c.218, P.L.1996, c.87,
2 P.L.1997, c.222, P.L.1998, c.85, P.L.1999, c.173, P.L.2000, c.93,
3 P.L.2001, c.224, P.L.2002, c.71, P.L.2003, c.159, P.L.2004, c.110,
4 P.L.2005, c.197, P.L.2006, c.67, P.L.2007, c.140, P.L.2008, c.67,
5 P.L.2009, c.101, P.L.2010, c.62, P.L.2011, c.95, P.L.2012, c.38,
6 P.L.2013, c.94, P.L.2014, c.26, P.L.2015, c.107, P.L.2016, c.31,
7 P.L.2017, c.142, as amended by P.L.2017, c.327, P.L.2018, c.84, as
8 amended by P.L.2019, c.30, P.L.2019, c.192, as amended by P.L.2019,
9 c.515, or P.L. , c. (pending before the Legislature as Senate Bill
10 No. 2498 of 2020 and Assembly Bill No. of 2020), and to secure the
11 administrative fees payable to the trust under these loans pursuant
12 to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

13 c. To the extent that any loan repayment sums are used to
14 satisfy any trust bond repayment or administrative fee payment
15 deficiencies, the trust shall repay such sums to the department for
16 deposit into the Clean Water State Revolving Fund, the
17 “Wastewater Treatment Fund,” the “1992 Wastewater Treatment
18 Fund,” the “Water Supply Fund,” the Drinking Water State
19 Revolving Fund, the “2003 Water Resources and Wastewater
20 Treatment Fund,” the “Stormwater Management and Combined
21 Sewer Overflow Abatement Fund,” or the “Pinelands Infrastructure
22 Trust Fund,” as appropriate, from amounts received by or on behalf
23 of the trust from project sponsors causing any such deficiency.
24

25 11. The Commissioner of Environmental Protection is
26 authorized to enter into capitalization grant agreements as may be
27 required pursuant to the Federal Disaster Relief Appropriations Act,
28 the Federal Clean Water Act, or the Federal Safe Drinking Water
29 Act.
30

31 12. There is appropriated to the New Jersey Infrastructure Bank
32 established pursuant to P.L.1985, c.334 (C.58:11B 1 et seq.) from
33 repayments of loans and interest deposited in any account, on or
34 before June 30, 2021 , including the “Clean Water State Revolving
35 Fund,” the “1992 Wastewater Treatment Fund,” the “Water Supply
36 Fund,” the “Stormwater Management and Combined Sewer
37 Overflow Abatement Fund,” the “2003 Water Resources and
38 Wastewater Treatment Fund,” or the Drinking Water State
39 Revolving Fund, as appropriate, and from any net earnings received
40 from the investment and reinvestment of such deposits, such sums
41 as the chairperson or secretary of the trust shall certify to the
42 Commissioner of Environmental Protection to be necessary and
43 appropriate for deposit into one or more reserve funds or accounts
44 established by the trust pursuant to section 11 of P.L.1985, c.334
45 (C.58:11B-11).
46

47 13. There is appropriated to the New Jersey Infrastructure Bank
48 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), funds

1 from the Federal Disaster Relief Appropriations Act deposited in
2 any account including the Clean Water State Revolving Fund, the
3 "Water Supply Fund," or the Drinking Water State Revolving Fund,
4 as appropriate, and from any net earnings received from the
5 investment and reinvestment of such deposits, such sums as the
6 chairperson of the trust certifies to the Commissioner of
7 Environmental Protection to be necessary and appropriate for
8 deposit into one or more reserve funds or accounts established by
9 the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).

10
11 14. This act shall take effect immediately.

12
13
14 STATEMENT

15
16 This bill appropriates certain federal and State moneys to the
17 Department of Environmental Protection (DEP) for the purpose of
18 implementing the State Fiscal Year 2021 New Jersey
19 Environmental Infrastructure Financing Program (NJEIFP), which
20 is expected to finance approximately \$1.167 billion in Storm Sandy
21 and other environmental infrastructure projects for State Fiscal Year
22 2021.

23 Under the bill, approximately \$10 million will be available for
24 principal forgiveness loans of up to \$2 million per borrower for
25 water quality restoration projects. For these projects, 50 percent of
26 the fund loan will be forgiven, 25 percent of the loan will be a zero-
27 interest rate fund loan, and 25 percent of the loan will be a New
28 Jersey Infrastructure Bank ("trust") market rate loan. For project
29 costs greater than \$4 million up to \$10 million, 75 percent of the
30 loan will be a zero-interest rate fund loan and 25 percent of the loan
31 will be a trust market rate loan. For project costs greater than \$10
32 million, 50 percent of the loan would be a zero interest rate fund
33 loan and 50 percent would be a trust market rate loan. In addition, a
34 maximum of \$15 million in principal forgiveness loans up to \$4
35 million per borrower will be allocated to communities sponsoring
36 construction projects that reduce or eliminate discharges from
37 combined sewer overflow (CSO) outfalls. For these CSO projects,
38 50 percent of the fund loan will be forgiven, 25 percent of the loan
39 will be a zero-interest rate fund loan, and 25 percent of the loan will
40 be a trust market rate loan. For project costs greater than \$4 million
41 up to \$10 million, 75 percent of the loan will be a zero-interest rate
42 fund loan and 25 percent of the loan will be a trust market rate loan.
43 For project costs greater than \$10 million, 50 percent of the loan is
44 a zero interest rate fund loan and 50 percent of the loan is a trust
45 market rate loan. Principal forgiveness will be available to the
46 highest ranked CSO projects and will be awarded according to the
47 DEP's ranking methodology based on each project's relative water
48 quality benefit and project readiness.

1 To the extent funds are available, a maximum of \$500,000 in
2 principal forgiveness loans will be available to finance the
3 development of asset management plans for systems serving
4 populations up to 10,000 residents, of which 100 percent will be
5 subject to principal forgiveness in an amount not to exceed
6 \$100,000 per project sponsor.

7 Approximately \$4 million in principal forgiveness loans will be
8 available to drinking water systems for improvements to water
9 supply systems serving populations of up to 10,000 people, in an
10 amount not to exceed \$500,000, and may not exceed 50 percent of
11 the total loan amount per project sponsor in an amount not to
12 exceed \$1 million per project sponsor. Loans for systems serving
13 500 or fewer residents would be given highest priority. To the
14 extent funds are available, a maximum of \$10 million of principal
15 forgiveness loans will be available for drinking water systems
16 serving communities with a population of up to 1,000 residents for
17 corrosion control treatment and lead service line replacement. The
18 amount of a principal forgiveness loan would not exceed 90 percent
19 of the total fund loan amount of \$1 million per project sponsor for
20 systems. Approximately \$103 million of principal forgiveness
21 loans will be issued for drinking water systems serving
22 communities with a weighted median household income less than
23 the median household income for the State for lead service line
24 replacement. The amount of principal forgiveness would not
25 exceed 50 percent of the total fund loan amount of: \$2 million per
26 water system for systems with less than 1,000 known lead service
27 lines, \$10 million per system for systems with between 1,001 and
28 5,000 known lead service lines, and \$40 million per system for
29 systems with greater than 5,000 known lead service lines.

30 Disaster Relief Emergency Financing Program loans will
31 continue to be available for short-term financing for projects to
32 repair or improve the resiliency of environmental infrastructure
33 systems adversely impacted by Storm Sandy. The source of funds
34 for such loans is currently repayments of prior NJEIFP loans and
35 trust operating funds, but private bank financing for such loans may
36 be used as the need arises. Finally, short-term Interim Financing
37 Program (IFP) loans will be available for projects approved to
38 receive long-term financing. IFP loans will be available upon
39 project certification by the DEP, and satisfaction of financial
40 eligibility requirements. The loans will finance costs disbursed
41 prior to long-term financing. The source of funds for such loans
42 include prior capitalization grants, NJEIFP loan repayments, prior
43 State bond acts, and interest earnings thereon.

44 The DEP would use the funds appropriated under this bill to
45 make zero-interest loans to local governments and privately-owned
46 water companies (project sponsors) for between zero percent and
47 100 percent of project costs totaling: (1) \$777.35 million for new
48 clean water projects included in the "Storm Sandy and State Fiscal

1 Year 2021 Clean Water Project Eligibility List," and \$6.3 million
2 for five clean water projects that had previously received a loan and
3 require supplemental loans, subject to the availability of funds; and
4 (2) \$357.14 million for new drinking water projects included in the
5 "State Fiscal Year 2021 Drinking Water Project Eligibility List,"
6 and \$27.2 million for drinking water projects that require
7 supplemental loans. The supplemental loan constitutes the
8 difference between the allowable loan amount required by the
9 project and the loan amount certified by the Commissioner of
10 Environmental Protection in the State Fiscal Year in which the
11 project was originally certified and funded for any increased
12 allowable costs.

13 The bill authorizes the DEP to issue loans up to 100 percent of
14 the total allowable loan amount: (1) for clean water loans to
15 municipalities that do not satisfy the trust credit policy, but are
16 subject to State financial supervision and oversight pursuant to the
17 "Local Government Supervision Act (1947)," P.L.1947, c.151
18 (C.52:27BB-1 et seq.); (2) for clean water and drinking water loans
19 to county or regional sewerage or utility authorities that do not
20 satisfy the trust's credit policy, but where the municipal participant
21 via its service agreement with the authority is under State financial
22 supervision and oversight pursuant to the "Local Government
23 Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.)
24 and the repayment obligation of the authority remains secured by
25 the full faith and credit of the participating municipality pursuant to
26 its service agreement with the municipality; and (3) for clean water
27 project and drinking water project loans to municipalities receiving
28 funding under the United States Department of Housing and Urban
29 Development Community Development Block Grant – Disaster
30 Recovery Program (CDBG-DR).

31 A companion bill, Senate Bill No. 2498 of 2020, would authorize
32 the trust to make market rate loans to project sponsors for between
33 zero percent and 100 percent of project costs for the clean water and
34 drinking water projects mentioned above. Under this bill, together
35 with Senate Bill No. 2498, the NJEIFP would finance \$1.167 billion
36 in environmental infrastructure projects for State Fiscal Year 2021,
37 subject to the availability of funds. Funding sources for the loans
38 include federal capitalization grants, State bond issue proceeds,
39 State match, various prior legislative appropriations, loan
40 repayments, interest earnings, and market rate loans made by the
41 trust.

42 The bill also authorizes the DEP to make clean water project
43 loans to four municipalities in the Pinelands area that are receiving
44 funding under the "Pinelands Infrastructure Trust Fund" established
45 pursuant to the "Pinelands Infrastructure Trust Bond Act of 1985,"
46 P.L.1985, c.302. The DEP allowable loan amount for such projects
47 may be up to 100 percent of the total loan amount specified in the
48 bill.

1 Finally, the bill would appropriate to the trust, from repayments
2 of loans, interest payments, certain federal funds, and any earnings
3 received from the investment of those funds, such amounts as the
4 chairperson or secretary of the trust certifies are necessary for
5 deposit into one or more reserve funds established by the trust.