

ASSEMBLY, No. 2849

STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

SYNOPSIS

Directs DEP to develop State water infrastructure investment plan; requires NJ Infrastructure Bank to publish additional information about water infrastructure projects; appropriates \$200,000 to NJ Infrastructure Bank.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning the State's water infrastructure investment
2 policy, supplementing Title 58 of the Revised Statutes and
3 P.L.1975, c.291 (C.40:55D-1 et seq.), and making an
4 appropriation.

5

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

8

9 1. As used in sections 1 through 4 of P.L. , c. (C.)
10 (pending before the Legislature as this bill):

11 "Department" means the Department of Environmental
12 Protection.

13 "Intended Use Plans" means the documents prepared annually by
14 the department as follows: (1) the document prepared pursuant to
15 40 C.F.R. s.35.3150, which identifies intended uses of all funds
16 provided by the State Water Pollution Control Revolving Fund
17 program; and (2) the document prepared pursuant to 40 C.F.R.
18 s.35.3555, which identifies intended uses of all funds provided by
19 the Drinking Water State Revolving Fund program.

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

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

31

32 2. a. No later than 12 months after the effective date of this act
33 and no later than June 1 on the sixth year after the effective date of
34 this act and every five years thereafter, the department, in
35 consultation with the trust, and, where appropriate, the Board of
36 Public Utilities and the Department of Community Affairs, shall
37 prepare a State Water Infrastructure Investment Plan, which shall
38 serve as the State's long-term capital investment strategy for
39 upgrading and maintaining the State's drinking water, wastewater,
40 and stormwater infrastructure. The department shall submit the
41 State Water Infrastructure Investment Plan to the Governor, and to
42 the Legislature pursuant to section 2 of P.L.1991, c.164
43 (C.52:14-19.1).

44 b. The State Water Infrastructure Investment Plan shall
45 include, but not be limited to:

46 (1) an estimate of the annual and long-term capital investment
47 needed for all drinking water, wastewater, and stormwater
48 infrastructure;

- 1 (2) an estimate of the amount of average annual capital
2 investment to be made for all drinking water, wastewater, and
3 stormwater infrastructure during the succeeding five years;
- 4 (3) an estimate of the actual average annual capital investment
5 made for all drinking water, wastewater, and stormwater
6 infrastructure during the preceding five years;
- 7 (4) identification of annual and long-term revenue sources that
8 could overcome any identified gap in funding;
- 9 (5) a strategy to coordinate the use of federal, State, and local
10 funding resources;
- 11 (6) a system for the prioritization of all of the capital projects
12 necessary to meet public policy goals, which shall incorporate, by
13 reference, the Intended Use Plans;
- 14 (7) quantifiable goals for capital improvements that implement
15 State priorities, including: those set forth in the Intended Use Plans;
16 those that serve environmental justice communities; and those that
17 incorporate green infrastructure or renewable energy generation;
- 18 (8) recommendations for new or revised programs for the asset
19 management of drinking water, wastewater, and stormwater
20 systems, including, but not limited to, assessments of inventory and
21 the urgency of need for replacement or upgrade; merger or
22 regionalization studies, strategies to address funding problems
23 caused by a lack of ratepayers, strategies to address funding
24 problems caused by socioeconomic factors, and strategies to
25 otherwise increase the technical, managerial, and financial capacity
26 of systems to fund and construct water infrastructure projects;
- 27 (9) recommendations for ways to accelerate the review,
28 approval, and replacement of prioritized drinking water,
29 wastewater, and stormwater infrastructure, while ensuring that the
30 projects fully satisfy applicable environmental protection
31 requirements;
- 32 (10) strategies to make drinking water, wastewater, and
33 stormwater systems more resilient to the impacts of climate change,
34 particularly in areas vulnerable to those impacts;
- 35 (11) a review of emerging best practices in the management of
36 drinking water, wastewater, and stormwater systems, including, but
37 not limited to, best practices that increase project cost efficiencies,
38 and recommended policy solutions to facilitate the adoption of these
39 practices;
- 40 (12) coordination with other State planning efforts, including
41 those for development and redevelopment, transportation, housing,
42 water supply, environmental protection, and energy;
- 43 (13) an assessment of existing strategies to address technical
44 assistance availability and rate affordability, and recommendations
45 for alternative strategies; and
- 46 (14) an explanation of the methodology used to develop the
47 estimates pursuant to paragraphs (1) through (3) of subsection b. of
48 this section, which shall include an explanation of how the

1 department identified capital investment needs for drinking water,
2 wastewater, and stormwater infrastructure that were not identified
3 by water, wastewater, and stormwater systems.

4 c. During the course of preparing a State Water Infrastructure
5 Investment Plan, the department shall:

6 (1) make available to all interested persons a copy of the
7 proposed plan or proposed revisions to the current plan at least 90
8 days prior to submitting it to the Governor, and shall provide an
9 opportunity for the public to submit written comments, consider the
10 comments submitted, make any revisions as the department deems
11 necessary, and provide a written summary of responses to
12 comments and any revisions made based on those comments;

13 (2) conduct at least three public meetings, which may be
14 conducted using video teleconferencing, on the proposed plan or
15 proposed revisions and updates to the current plan;

16 (3) consider the comments made at public meetings and written
17 comments, and make any revisions to the proposed plan or proposed
18 revisions and updates to the current plan as the department deems
19 necessary, and provide a written summary of responses to
20 comments and any revisions made based on those comments;

21 (4) consult with the Highlands Water Protection and Planning
22 Council established pursuant to section 4 of P.L.2004, c.120
23 (C.13:20-4) concerning the possible impact of the State Water
24 Infrastructure Investment Plan on the Highlands Regional Master
25 Plan and the natural resources of the Highlands region;

26 (5) consult with the Pinelands Commission established pursuant
27 to P.L.1979, c.111 (C.13:18A-1 et seq.) concerning the possible
28 impact of the plan on the Pinelands Comprehensive Management
29 Plan and the natural resources of the Pinelands region; and

30 (6) consult with operators of drinking water, wastewater, and
31 stormwater systems and other relevant stakeholders including smart
32 growth, environmental protection, and environmental justice
33 organizations in the State.

34 d. The Division of Local Government Services in the
35 Department of Community Affairs, and the Board of Public Utilities
36 shall provide to the department sufficient financial, budgetary, and
37 other information gained from their regulatory authority over
38 drinking water, wastewater, and stormwater utilities, as appropriate,
39 to develop the Water Infrastructure Investment Plan.

40

41 3. The trust shall prepare and submit to the Governor, the
42 Legislature, pursuant to section 2 of P.L.1991, c.164
43 (C.52:14-19.1), and the department on or before May 15 of each
44 year, an Annual Water Infrastructure Capital Program, which shall
45 provide details about current water infrastructure projects in the
46 State.

1 a. The Annual Water Infrastructure Capital Program shall
2 include the following pieces of information for each current water
3 infrastructure project in the State:

- 4 (1) the owner of the project;
5 (2) the total estimated cost of the project;
6 (3) all funding sources for the project;
7 (4) the amount of funds budgeted for the project;
8 (5) the amount of funds spent on the project as of the date the
9 program was prepared;
10 (6) the amount of funds the trust and the department have
11 committed to the project;
12 (7) the amount of funds needed to complete the project;
13 (8) any utilities with a service area that overlaps with the project,
14 to the extent this information is available;
15 (9) any municipalities and counties involved in the project; and
16 (10) the category of the project in the trust's "H2LOans" online
17 loan organization system.

18 b. The department, the Division of Local Government Services
19 in the Department of Community Affairs, and the Board of Public
20 Utilities shall provide to the trust, upon request and in a timely
21 manner, the information necessary to implement the provisions of
22 subsection a. of this section.

23 c. The trust shall publish the Annual Water Infrastructure
24 Capital Program on its Internet website.

25
26 4. a. The trust shall develop and maintain an Internet website
27 that provides information on the status of water infrastructure
28 projects being financed by the trust, and which serves as the portal
29 for all State and federal public documentation concerning those
30 projects. The website shall include, for each project:

- 31 (1) the owner of the project;
32 (2) the total estimated cost of the project;
33 (3) all funding sources for the project;
34 (4) the amount of funds budgeted for the project;
35 (5) the amount of funds spent on the project as of the date the
36 program was prepared;
37 (6) the amount of funds the trust has committed to the project;
38 (7) the amount of funds needed to complete the project;
39 (8) any utilities with a service area that overlaps with the project;
40 (9) any municipalities and counties affected by the project; and
41 (10) the category of the project in the trust's "H2LOans" online
42 loan organization system;
43 (11) a chart which compares the planned and actual annual
44 expenditures on the project;
45 (12) a list of actions which have a bearing on the progress of the
46 project, including, but not limited to, awards for legal, insurance,
47 engineering services, environmental review, public involvement and
48 outreach, property acquisitions, and construction contracts; and

1 (13) a list of all actions by an external regulatory agency or any
2 other party, which affected the cost or timely completion of the
3 project.

4 b. The website, and the information concerning each water
5 infrastructure project being financed by the trust, shall be updated at
6 least twice per year.

7
8 5. A municipality that prepares or amends a master plan shall
9 review the current State Water Infrastructure Investment Plan
10 prepared pursuant to section 2 of P.L. , c. (C.) (pending
11 before the Legislature as this bill), and consider any applicable
12 recommendations of the plan.

13
14 6. There is appropriated to the New Jersey Infrastructure Bank
15 from the General Fund the amount of \$200,000 to develop and
16 maintain the Internet website required pursuant to section 4 of this
17 act.

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19 7. This act shall take effect immediately.

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22 STATEMENT

23
24 This bill would direct the Department of Environmental
25 Protection (DEP) to prepare a State Water Infrastructure Investment
26 Plan every five years. The bill would also require the New Jersey
27 Infrastructure Bank (NJIB) to publish additional information about
28 water infrastructure projects in the State.

29 No later than 12 months after the bill's effective date and every
30 five years thereafter, the bill would direct the DEP, in consultation
31 with the NJIB and, where appropriate, the Board of Public Utilities
32 and the Department of Community Affairs, to prepare and submit to
33 Governor and the Legislature a State Water Infrastructure
34 Investment Plan (plan). The plan would serve as the State's long-
35 term capital investment strategy for upgrading and maintaining the
36 State's drinking water, wastewater, and stormwater infrastructure.
37 The bill would establish various requirements for the contents of the
38 plan, as enumerated in subsection b. of section 2 of the bill. In
39 addition, each time the DEP prepares a plan, the bill would require
40 the DEP to conduct at least three public meetings on the proposed
41 plan, and meet with other stakeholders as described in subsection c.
42 of section 2 of the bill.

43 The bill would also require the NJIB to prepare an Annual Water
44 Infrastructure Capital Program (annual program), which would
45 provide details about current water infrastructure projects in the
46 State. The annual program would be submitted to the Governor,
47 Legislature, and the DEP. The bill would establish various

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1 requirements for the content of the annual program, as enumerated
2 in subsection a. of section 3 of the bill.

3 The bill would also require the NJIB to develop and maintain an
4 Internet website that provides similar details about water
5 infrastructure projects in the State. The bill would require the NJIB
6 to update the website at least twice a year. In addition, the bill
7 would establish various requirements for the content of the website,
8 as enumerated in subsection b. of section 4 of the bill.

9 In addition, the bill would require municipalities to review and
10 consider any applicable recommendations of the current State Water
11 Infrastructure Investment Plan before adopting or amending their
12 municipal master plans. Finally, the bill would appropriate
13 \$200,000 to the NJIB to develop and maintain the website required
14 under section 4 of the bill.