

**ASSEMBLY, No. 1461**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblyman JAMES J. KENNEDY**

**District 22 (Somerset and Union)**

**Assemblyman STERLEY S. STANLEY**

**District 18 (Middlesex)**

**SYNOPSIS**

Establishes Climate Change Mitigation and Resilience Financing Program in NJ Infrastructure Bank; imposes per-kilowatt hour charge on electric energy consumption to finance climate change mitigation and resilience projects.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1   **AN ACT** concerning the financing of climate change mitigation and  
2       resilience projects, amending and supplementing P.L.1985, c.334,  
3       and supplementing Title 48 of the Revised Statutes.

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

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

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

45      b. The Legislature finds that stormwater runoff and combined  
46 sewer overflows are among the major sources of ocean pollution,

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

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

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

1 State funding for the program is necessary to meet this financial  
2 obligation.

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

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

21 f. The Legislature finds that there is universal scientific  
22 consensus that human activity is the primary cause of climate change  
23 over the past century; that climate change is causing sea levels to rise  
24 and more frequent droughts, hurricanes, and other extreme weather  
25 events that threaten public health, safety, the environment, and  
26 critical infrastructure in the State; that, in order to mitigate the effects  
27 of climate change, New Jersey must drastically reduce its fossil fuel  
28 consumption and greenhouse gas emissions, which, in turn, requires  
29 the State to increase the pace and amount of investment in clean  
30 energy, energy efficiency, and other climate change mitigation  
31 projects; that the State must simultaneously take measures to protect  
32 its residents, the environment, and critical infrastructure from the  
33 adverse effects of climate change; that providing low-interest  
34 financing for climate change mitigation and resilience projects will  
35 improve the standard of living for New Jersey residents by delivering  
36 clean energy more efficiently and at lower cost, and creating long-  
37 term, high paying jobs; and that such financing will also ease the  
38 economic effects of transitioning from a carbon-based economy to a  
39 clean energy economy.

40 g. The Legislature therefore determines that it is in the public  
41 interest to establish a State authority authorized to issue bonds, notes  
42 and other obligations and to establish any reserve funds necessary  
43 therefor, and to make loans to and guarantee debt incurred by local  
44 government units for environmental and transportation infrastructure  
45 projects , and to provide loans and other financial assistance for  
46 climate change mitigation and resilience projects.

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

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

3       3. As used in sections 1 through 27 of P.L.1985, c.334  
4 (C.58:11B-1 through C.58:11B-27), sections 23 through 27 of  
5 P.L.1997, c.224 (C.58:11B-10.1 et al.), **and** sections 22 and 34  
6 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
7 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4)  
8 , and sections 6 and 9 through 14 of P.L. , c. , (C. ) (pending  
9 before the Legislature as this bill):

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

12       “Class I renewable energy” and “Class II renewable energy” mean  
13 the same as those terms are defined in section 3 of P.L.1999, c.23  
14 (C.48:3-51).

15       “Climate change mitigation project” means a project whose  
16 primary purpose is the construction, development, or production of  
17 energy sources, infrastructure, land management techniques, or  
18 technologies that eliminate, reduce, or sequester anthropogenic  
19 greenhouse gas emissions in the State. “Climate change mitigation  
20 project” shall include, but is not limited to, a Class I renewable  
21 energy or Class II renewable energy source, community solar project,  
22 energy efficiency improvement, energy storage, zero-emission  
23 vehicle infrastructure, zero-emission public transportation project,  
24 carbon capture and sequestration technology, reforestation of  
25 degraded land, or wetlands preservation or restoration.

26       “Climate Change Mitigation and Resilience Financing Program”  
27 means the financing program to fund climate change mitigation  
28 projects and climate change resilience projects pursuant to P.L. ,  
29 c. (C. )(pending before the Legislature as this bill).

30       “Climate change resilience project” means an infrastructure  
31 project whose primary purpose is to protect human health and safety,  
32 the environment, and public infrastructure from the adverse effects  
33 of climate change, including drought, sea level rise, extreme weather  
34 events, and harmful algal blooms. “Climate change resilience  
35 project” shall include, but is not limited to, a sea barrier or other flood  
36 protection project; a water storage system; the removal, relocation,  
37 or redesign of public infrastructure; or a project to mitigate harmful  
38 algal blooms. “Climate change resilience project” shall not include  
39 a project whose sole focus is research, data collection, or the  
40 acquisition of land.

41       “Combined sewer overflow” means the discharge of untreated or  
42 partially treated stormwater runoff and wastewater from a combined  
43 sewer system into a body of water;

44       “Combined sewer system” means a sewer system designed to  
45 carry sanitary wastewater at all times, which is also designed to  
46 collect and transport stormwater runoff from streets and other  
47 sources, thereby serving a combined purpose;

1 “Commissioner” means the Commissioner of the Department of  
2 Environmental Protection;

3 “Community solar project” means a solar energy project  
4 undertaken pursuant to the “Community Solar Energy Pilot Program”  
5 or its permanent successor program, established pursuant to section  
6 5 of P.L.2018, c.17 (C.48:3-87.11).

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

13 “Department” means the Department of Environmental  
14 Protection;

15 “Energy efficiency improvement” means a modification or  
16 improvement to a building or other property that is designed to  
17 reduce energy consumption and energy costs. “Energy efficiency  
18 improvement” includes, but is not limited to, any combination of:  
19 insulation; storm windows or doors; caulking, weather-stripping, or  
20 other window and door modifications or improvements that reduce  
21 energy consumption; automated or computerized energy control  
22 systems; energy efficient heating, ventilation or air conditioning  
23 systems; energy efficient lighting systems; energy-recovery systems;  
24 cogeneration or combined heat and power systems; and other  
25 modifications or improvements as may be deemed appropriate by the  
26 Board of Public Utilities.

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

36 “Federal infrastructure bank program” means the United States  
37 Department of Transportation State Infrastructure Bank Program  
38 provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as  
39 amended or superseded;

40 **【“Planning, design, and construction loan” means a short-term or**  
41 **temporary loan for eligible costs incurred in project planning,**  
42 **engineering design, or construction issued before or during the**  
43 **planning stage of a project;】**

44 “Local government unit” means (1) a State authority, county,  
45 municipality, municipal, county or regional sewerage or utility  
46 authority, municipal sewerage district, joint meeting, improvement  
47 authority, or any other political subdivision of the State authorized to  
48 construct, operate, and maintain wastewater treatment systems; (2) a

1 State authority, district water supply commission, county,  
2 municipality, municipal, county or regional utilities authority,  
3 municipal water district, joint meeting, or any other political  
4 subdivision of the State authorized pursuant to law to operate or  
5 maintain a public water supply system or to construct, rehabilitate,  
6 operate, or maintain water supply facilities or otherwise provide  
7 water for human consumption; or (3) a county, municipality,  
8 municipal, county or regional transportation authority, or any other  
9 political subdivision of the State authorized to construct, operate, and  
10 maintain public highways or transportation projects as defined  
11 pursuant to this section;

12 “New Jersey Environmental Infrastructure Financing Program”  
13 means the financing program to fund environmental infrastructure  
14 projects;

15 “New Jersey Transportation Infrastructure Financing Program”  
16 means the financing program to fund transportation infrastructure  
17 projects;

18 “Notes” means notes issued by the trust pursuant to P.L.1985,  
19 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
20 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
21 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
22 C.58:11B-22.4) , and P.L. , c. (C. )(pending before the  
23 Legislature as this bill);

24 “Onsite septic system ordinance or regulation” means an  
25 ordinance adopted by a municipality or county or regulation adopted  
26 by a regional planning agency establishing the requirements for  
27 construction, maintenance and repair of onsite wastewater treatment  
28 and disposal systems;

29 “Onsite wastewater treatment and disposal system” means an on-  
30 site system designed to treat and dispose of domestic sewage;

31 “Other assistance” means forms of financial assistance, in addition  
32 to loans, authorized by the New Jersey Infrastructure Bank from the  
33 State Transportation Infrastructure Bank Fund, including, but not  
34 limited to, use of funds to: provide credit enhancements; serve as a  
35 capital reserve for bond or other debt instrument financing; subsidize  
36 interest rates; ensure the issuance of letters of credit and credit  
37 instruments; finance purchase and lease agreements with respect to  
38 transit projects; and provide bond or other debt financing instrument  
39 security;

40 “Planning, design, and construction loan” means a short-term or  
41 temporary loan for eligible costs incurred in project planning,  
42 engineering design, or construction issued before or during the  
43 planning stage of a project;

44 “Private entity” means any private individual, corporation,  
45 company, partnership, firm, association, owner, operator, non-profit  
46 organization, or community-based group;

47 “Project” means the acquisition, construction, improvement,  
48 repair or reconstruction of all or part of any structure, facility, or

1 equipment, or real or personal property necessary for or ancillary to  
2 any: (1) wastewater treatment system project, including any  
3 stormwater management or combined sewer overflow abatement  
4 projects; (2) water supply project, as authorized pursuant to  
5 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224  
6 (C.58:11B-10.1 et al.), including any water resources project, as  
7 authorized pursuant to P.L.2003, c.162; **【or】** (3) transportation  
8 project authorized pursuant to sections 22 and 34 through 38 of  
9 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
10 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) ; or (4) climate  
11 change mitigation project or climate change resilience project  
12 authorized pursuant to P.L. , c. (C. ) (pending before the  
13 Legislature as this bill);

14 “Public highway” means public roads, streets, expressways,  
15 freeways, parkways, motorways and boulevards, including bridges,  
16 tunnels, overpasses, underpasses, interchanges, express bus  
17 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
18 circles, grade separations, traffic control devices, the elimination or  
19 improvement of crossings of railroads and highways, whether at-  
20 grade or not at-grade, bicycle and pedestrian pathways and pedestrian  
21 and bicycle bridges, and any property, rights of way, easements and  
22 interests therein needed for the construction, improvement, and  
23 maintenance of highways;

24 “Public water utility” means any investor-owned water company  
25 or small water company;

26 “Small water company” means any company, purveyor or entity,  
27 other than a governmental agency, that provides water for human  
28 consumption and which regularly serves less than 1,000 customer  
29 connections, including nonprofit, noncommunity water systems  
30 owned or operated by a nonprofit group or organization;

31 “State entity” means a department, agency, or office of State  
32 government, including a State university or college, or an authority  
33 created by the State.

34 “Stormwater management system” means any equipment, plants,  
35 structures, machinery, apparatus, management practices, or land, or  
36 any combination thereof, acquired, used, constructed, implemented  
37 or operated to prevent nonpoint source pollution, abate improper  
38 cross-connections and interconnections between stormwater and  
39 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
40 induce groundwater recharge, or any combination thereof;

41 “Transportation project” means capital projects for public  
42 highways, approach roadways and other necessary land-side  
43 improvements, ramps, signal systems, roadbeds, transit lanes or  
44 rights of way, pedestrian walkways and bridges connecting to  
45 passenger stations and servicing facilities, bridges, and grade  
46 crossings;

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

1       “Wastewater” means residential, commercial, industrial, or  
2       agricultural liquid waste, sewage, septage, stormwater runoff, or any  
3       combination thereof, or other liquid residue discharged or collected  
4       into a sewer system or stormwater management system, or any  
5       combination thereof;

6       “Wastewater treatment system” means any equipment, plants,  
7       structures, machinery, apparatus, or land, or any combination thereof,  
8       acquired, used, constructed or operated by, or on behalf of, a local  
9       government unit for the storage, collection, reduction, recycling,  
10      reclamation, disposal, separation, or other treatment of wastewater or  
11      sewage sludge, or for the collection or treatment, or both, of  
12      stormwater runoff and wastewater, or for the final disposal of  
13      residues resulting from the treatment of wastewater, including, but  
14      not limited to, pumping and ventilating stations, treatment plants and  
15      works, connections, outfall sewers, interceptors, trunk lines,  
16      stormwater management systems, and other personal property and  
17      appurtenances necessary for their use or operation; “wastewater  
18      treatment system” shall include a stormwater management system or  
19      a combined sewer system;

20      “Wastewater treatment system project” means any work relating  
21      to the acquisition, construction, improvement, repair or  
22      reconstruction of all or part of any structure, facility or equipment, or  
23      real or personal property necessary for or ancillary to any wastewater  
24      treatment system that meets the requirements set forth in sections 20,  
25      21, and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21, and  
26      C.58:11B-22); or any work relating to any of the stormwater  
27      management or combined sewer overflow abatement projects  
28      identified in the stormwater management and combined sewer  
29      overflow abatement project priority list adopted by the commissioner  
30      pursuant to section 28 of P.L.1989, c.181; or any work relating to the  
31      purposes set forth in section 6 of P.L.2003, c.162; or any work  
32      relating to any other project eligible for financing under the “Federal  
33      Water Pollution Control Act Amendments of 1972”  
34      (33 U.S.C. s.1251 et seq.), or any amendatory or supplementary acts  
35      thereto;

36      “Water resources project” means any work related to transferring  
37      water between public water systems during a state of water  
38      emergency, to avert a drought emergency in all or any part of the  
39      State, to plan, design or construct interconnections of existing water  
40      supplies, or to extend water supplies to areas with contaminated  
41      ground water supplies;

42      “Water supply facilities” means and refers to the real property and  
43      the plants, structures, interconnections between existing water supply  
44      facilities, machinery and equipment and other property, real, personal  
45      and mixed, acquired, constructed or operated, or to be acquired,  
46      constructed or operated, in whole or in part, by or on behalf of a  
47      public water utility, or by or on behalf of the State or a local  
48      government unit, for the purpose of augmenting the natural water

1 resources of the State and making available an increased supply of  
2 water for all uses, or of conserving existing water resources, and any  
3 and all appurtenances necessary, useful or convenient for the  
4 collecting, impounding, storing, improving, treating, filtering,  
5 conserving or transmitting of water, and for the preservation and  
6 protection of these resources and facilities, whether in public or  
7 private ownership, and providing for the conservation and  
8 development of future water supply resources, and facilitating  
9 incidental recreational uses thereof;

10 “Water supply project” means any work relating to the acquisition,  
11 construction, improvement, repair or reconstruction of all or part of  
12 any structure, facility or equipment, or real or personal property  
13 necessary for or ancillary to water supply facilities that meets the  
14 requirements set forth in sections 24, 25, and 26 of P.L.1997, c.224  
15 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-22.1); or any work  
16 relating to the purposes set forth in section 4 of P.L.1981, c.261; or  
17 any work relating to the purposes set forth in section 6 of P.L.2003,  
18 c.162; or any work relating to any other project eligible for funding  
19 pursuant to the federal “Safe Drinking Water Act Amendments of  
20 1996,” Pub.L.104-182, and any amendatory and supplementary acts  
21 thereto.

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

23  
24 3. Section 4 of P.L.1985, c.334 (C.58:11B-4) is amended to read  
25 as follows:

26 4. a. There is established in, but not of, the Department of the  
27 Treasury a body corporate and politic, with corporate succession, to  
28 be known as the “New Jersey Infrastructure Bank.” The trust is  
29 constituted as an instrumentality of the State exercising public and  
30 essential governmental functions, no part of whose revenues shall  
31 accrue to the benefit of any individual, and the exercise by the trust  
32 of the powers conferred by the provisions of P.L.1985, c.334  
33 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**  
34 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
35 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
36 C.58:11B-22.4), or the provisions of P.L. , c. (C. ) (pending  
37 before the Legislature as this bill) shall be deemed and held to be an  
38 essential governmental function of the State.

39 b. The trust shall consist of **[a 10]** an 11 member board of  
40 directors composed of : the State Treasurer, the Commissioner of the  
41 Department of Community Affairs, the Commissioner of the  
42 Department of Transportation, **[and]** the Commissioner of the  
43 Department of Environmental Protection, and the President of the  
44 Board of Public Utilities, who shall be members ex officio; two  
45 people appointed by the Governor upon the recommendation of the  
46 President of the Senate, and two people appointed by the Governor  
47 upon the recommendation of the Speaker of the General Assembly,  
48 who shall serve during the two-year legislative term in which they

1 are appointed; and two residents of the State appointed by the  
2 Governor with the advice and consent of the Senate, who shall serve  
3 for terms of four years, except that the first two appointed shall serve  
4 terms of two and three years respectively. Each appointed director  
5 shall serve until that director's successor has been appointed and  
6 qualified. A director is eligible for reappointment. Any vacancy  
7 shall be filled in the same manner as the original appointment, but  
8 for the unexpired term only.

9 With respect to those public members first appointed by the  
10 Governor, the appointment of each of the two members upon the  
11 advice and consent of the Senate shall become effective 30 days after  
12 their nomination by the Governor if the Senate has not given advice  
13 and consent on those nominations within that time period; the  
14 President of the Senate and the Speaker of the General Assembly  
15 each shall recommend to the Governor a public member for  
16 appointment within 20 days following the effective date of P.L.1985,  
17 c.334 (C.58:11B-1 et seq.) and a public member for appointment  
18 within 20 days following the effective date of P.L.2016, c.56 and a  
19 recommendation made in this manner shall become effective if the  
20 Governor makes the appointment in accordance with the  
21 recommendation, in writing, within 10 days of the Governor's receipt  
22 thereof. In each instance where the Governor fails to make the  
23 appointment, the President of the Senate and the Speaker of the  
24 General Assembly shall make new recommendations subject to  
25 appointment by the Governor as determined in this section.

26 c. Each appointed director may be removed from office by the  
27 Governor for cause, upon the Governor's consideration of the  
28 findings and recommendations of an administrative law judge after a  
29 public hearing before the judge, and may be suspended by the  
30 Governor pending the completion of the hearing. Each director,  
31 before entering upon the director's duties, shall take and subscribe an  
32 oath to perform the duties of the director's office faithfully,  
33 impartially and justly to the best of the director's ability. A record of  
34 oaths shall be filed in the office of the Secretary of State.

35 d. The Governor shall designate one of the appointed members  
36 to be the chairperson and chief executive officer of the trust and the  
37 directors shall biannually elect a vice-chairperson from among the  
38 appointed directors. The chairperson shall serve as such for a term  
39 of two years and until a successor has been designated. A chairperson  
40 shall be eligible for one additional two-year term as chairperson. The  
41 directors shall elect a secretary and treasurer, who need not be  
42 directors, and the same person may be elected to serve as both  
43 secretary and treasurer.

44 The powers of the trust are vested in the directors in office from  
45 time to time and six directors shall constitute a quorum at any  
46 meeting. Action may be taken and motions and resolutions adopted  
47 by the trust by the affirmative majority vote of those directors  
48 present, but in no event shall any action be taken or motions or

1 resolutions adopted without the affirmative vote of at least six  
2 directors. No vacancy on the board of directors of the trust shall  
3 impair the right of a quorum of the directors to exercise the powers  
4 and perform the duties of the trust.

5 e. Each director and the treasurer of the trust shall execute a  
6 bond to be conditioned upon the faithful performance of the duties of  
7 the director or treasurer in a form and amount as may be prescribed  
8 by the State Treasurer. Bonds shall be filed in the office of the  
9 Secretary of State. At all times thereafter, the directors and treasurer  
10 shall maintain these bonds in full effect. All costs of the bonds shall  
11 be borne by the trust.

12 f. The directors of the trust shall serve without compensation,  
13 but the trust shall reimburse the directors for actual and necessary  
14 expenses incurred in the performance of their duties.  
15 Notwithstanding the provisions of any other law to the contrary, no  
16 officer or employee of the State shall be deemed to have forfeited or  
17 shall forfeit the officer's or employee's office or employment or any  
18 benefits or emoluments thereof by reason of the officer's or  
19 employee's acceptance of the office of ex officio director of the trust  
20 or the ex officio director's services thereon.

21 g. Each ex officio director may designate an officer of the ex  
22 officio director's department to represent the ex officio director at  
23 meetings of the trust. Each designee may lawfully vote and otherwise  
24 act on behalf of the director for whom the person constitutes the  
25 designee. The designation shall be delivered in writing to the trust  
26 and shall continue in effect until revoked or amended in writing and  
27 delivered to the trust.

28 h. The trust may be dissolved by law; provided the trust has no  
29 debts or obligations outstanding or that provision has been made for  
30 the payment or retirement of these debts or obligations. The trust  
31 shall continue in existence until dissolved by act of the Legislature.  
32 Upon any dissolution of the trust, all property, funds and assets of the  
33 trust shall be vested in the State.

34 i. A true copy of the minutes of every meeting of the trust shall  
35 be forthwith delivered by and under the certification of the secretary  
36 thereof to the Governor and at the same time to the Senate and  
37 General Assembly. The time and act of this delivery shall be duly  
38 recorded on a delivery receipt. No action taken or motion or  
39 resolution adopted at a meeting by the trust shall have effect until 10  
40 days, exclusive of Saturdays, Sundays and public holidays, after a  
41 copy of the minutes has been delivered to the Governor, unless during  
42 the 10-day period the Governor shall approve all or part of the actions  
43 taken or motions or resolutions adopted, in which case the action or  
44 motion or resolution shall become effective upon the approval.

45 If, in the 10-day period, the Governor returns the copy of the  
46 minutes with a veto of any action taken by the trust or any member  
47 thereof at that meeting, the action shall be of no effect. The Senate  
48 or General Assembly shall have the right to provide written

1 comments concerning the minutes to the Governor within the 10-day  
 2 period, which comments shall be returned to the trust by the  
 3 Governor with the Governor's approval or veto of the minutes.

4 The powers conferred in this subsection upon the Governor shall  
 5 be exercised with due regard for the rights of the holders of bonds,  
 6 notes and other obligations of the trust at any time outstanding, and  
 7 nothing in, or done pursuant to, this subsection shall in any way limit,  
 8 restrict or alter the obligation or powers of the trust or any  
 9 representative or officer of the trust to carry out and perform each  
 10 covenant, agreement, or contract made or entered into by or on behalf  
 11 of the trust with respect to its bonds, notes, or other obligations or for  
 12 the benefit, protection or security of the holders thereof.

13 j. No resolution or other action of the trust providing for the  
 14 issuance of bonds, refunding bonds, notes or other obligations shall  
 15 be adopted or otherwise made effective by the trust without the prior  
 16 approval in writing of the Governor and the State Treasurer. The  
 17 trust shall provide the Senate and General Assembly with written  
 18 notice of any request for approval of the Governor and State  
 19 Treasurer at the time the request is made, and shall also provide the  
 20 Senate and General Assembly written notice of the response of the  
 21 Governor and State Treasurer at the time that the response is received  
 22 by the trust.

23 (cf: P.L.2016, c.56, s.13)

24  
 25 4. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to read  
 26 as follows:

27 5. Except as otherwise limited by the provisions of P.L.1985,  
 28 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
 29 **[or]** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
 30 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
 31 C.58:11B-22.4), or the provisions of P.L. , c. (C. ) (pending  
 32 before the Legislature as this bill), the trust may:

33 a. Make and alter bylaws for its organization and internal  
 34 management and, subject to agreements with holders of its bonds,  
 35 notes or other obligations, make rules and regulations with respect to  
 36 its operations, properties and facilities;

37 b. Adopt an official seal and alter it;

38 c. Sue and be sued;

39 d. Make and enter into all contracts, leases and agreements  
 40 necessary or incidental to the performance of its duties and the  
 41 exercise of its powers under the provisions of P.L.1985, c.334  
 42 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**  
 43 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
 44 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
 45 C.58:11B-22.4), or the provisions of P.L. , c. (C. ) (pending  
 46 before the Legislature as this bill), and subject to any agreement with  
 47 the holders of the trust's bonds, notes or other obligations, consent to

- 1 any modification, amendment or revision of any contract, lease or  
2 agreement to which the trust is a party;
- 3 e. Enter into agreements or other transactions with and accept,  
4 subject to the provisions of section 23 of P.L.1985, c.334  
5 (C.58:11B-23), grants, appropriations and the cooperation of the  
6 State, or any State agency, in furtherance of the purposes of P.L.1985,  
7 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
8 **【or】** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
9 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
10 C.58:11B-22.4), or P.L. , c. (C. ) (pending before the Legislature  
11 as this bill), and do anything necessary in order to avail itself of that  
12 aid and cooperation;
- 13 f. Receive and accept aid or contributions from any source of  
14 money, property, labor or other things of value, to be held, used and  
15 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
16 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and  
17 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-22.4),  
19 or P.L. , c. (C. ) (pending before the Legislature as this bill),  
20 subject to the conditions upon which that aid and those contributions  
21 may be made, including, but not limited to, gifts or grants from any  
22 department or agency of the State, or any State agency, for any  
23 purpose consistent with the provisions of P.L.1985, c.334  
24 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】**  
25 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
26 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
27 C.58:11B-22.4), or P.L. , c. (C. ) (pending before the Legislature  
28 as this bill), subject to the provisions of section 23 of P.L.1985, c.334  
29 (C.58:11B-23);
- 30 g. Acquire, own, hold, construct, improve, rehabilitate,  
31 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
32 or otherwise dispose of real and personal property, or any interest  
33 therein, in the exercise of its powers and the performance of its duties  
34 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
35 P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34  
36 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
37 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
38 or the provisions of P.L. , c. (C. ) (pending before the Legislature  
39 as this bill) ;
- 40 h. Appoint and employ an executive director and any other  
41 officers or employees as it may require for the performance of its  
42 duties, without regard to the provisions of Title 11A of the New  
43 Jersey Statutes;
- 44 i. Borrow money and issue bonds, notes and other obligations,  
45 and secure the same, and provide for the rights of the holders thereof  
46 as provided in the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
47 P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34

1 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
2 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and 1 + , or the  
3 provisions of P.L. , c. (C. ) (pending before the Legislature as  
4 this bill) ;

5 j. Subject to any agreement with holders of its bonds, notes or  
6 other obligations, invest moneys of the trust not required for  
7 immediate use, including proceeds from the sale of any bonds, notes  
8 or other obligations, in any obligations, securities and other  
9 investments in accordance with the rules and regulations of the State  
10 Investment Council or as may otherwise be approved by the Director  
11 of the Division of Investment in the Department of the Treasury upon  
12 a finding that such investments are consistent with the corporate  
13 purposes of the trust;

14 k. Procure insurance to secure the payment of its bonds, notes or  
15 other obligations or the payment of any guarantees or loans made by  
16 it in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1  
17 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and  
18 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
19 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
20 or the provisions of P.L. , c. (C. ) (pending before the Legislature  
21 as this bill), or against any loss in connection with its property and  
22 other assets and operations, in any amounts and from any insurers as  
23 it deems desirable;

24 l. Engage the services of attorneys, accountants, engineers, and  
25 financial experts and any other advisors, consultants, experts and  
26 agents as may be necessary in its judgment and fix their  
27 compensation;

28 m. (1) Make and contract to make loans to local government units,  
29 or to a local government unit on behalf of another local government  
30 unit, to finance the cost of wastewater treatment system projects or  
31 water supply projects and acquire and contract to acquire notes,  
32 bonds or other obligations issued or to be issued by any local  
33 government units to evidence the loans, all in accordance with the  
34 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
35 c.224 (C.58:11B-10.1 et al.);

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

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

47 (4) Make and contract to make loans and provide other assistance  
48 to one or more local government units or consortia thereof to finance

- 1 the cost of transportation projects in accordance with the provisions  
2 of the federal infrastructure bank program and pursuant to sections  
3 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
4 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);  
5 (5) Make and contract to make loans and provide other assistance  
6 to State entities, local government units, and private entities to  
7 finance the cost of climate change mitigation projects and climate  
8 change resilience projects in accordance the provisions of P.L. ,  
9 c. (C. ) (pending before the Legislature as this bill);
- 10 n. Subject to any agreement with holders of its bonds, notes or  
11 other obligations, purchase bonds, notes and other obligations of the  
12 trust and hold the same for resale or provide for the cancellation  
13 thereof, all in accordance with the provisions of P.L.1985, c.334  
14 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**  
15 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
16 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
17 C.58:11B-22.4) , or the provisions of P.L. , c. (C. ) (pending  
18 before the Legislature as this bill);
- 19 o. (1) Charge to and collect from local government units, private  
20 persons or public water utilities any fees and charges in connection  
21 with the trust's loans, guarantees or other services, including, but not  
22 limited to, fees and charges sufficient to reimburse the trust for all  
23 reasonable costs necessarily incurred by it in connection with its  
24 financings and the establishment and maintenance of reserve or other  
25 funds, as the trust may determine to be reasonable. The fees and  
26 charges shall be in accordance with a uniform schedule published by  
27 the trust for the purpose of providing actual cost reimbursement for  
28 the services rendered;
- 29 (2) Any fees and charges collected by the trust pursuant to this  
30 subsection may be deposited and maintained in a special fund  
31 separate from any other funds held by the trust pursuant to section 10  
32 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997, c.224  
33 (C.58:11B-10.1), and shall be available for any corporate purposes  
34 of the trust;
- 35 p. Subject to any agreement with holders of its bonds, notes or  
36 other obligations, obtain as security or to provide liquidity for  
37 payment of all or any part of the principal of and interest and  
38 premium on the bonds, notes and other obligations of the trust or for  
39 the purchase upon tender or otherwise of the bonds, notes or other  
40 obligations, lines of credit, letters of credit and other security  
41 agreements or instruments in any amounts and upon any terms as the  
42 trust may determine, and pay any fees and expenses required in  
43 connection therewith;
- 44 q. Provide to local government units and State entities any  
45 financial and credit advice as these local government units and State  
46 entities may request;

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

4       s. Take any action necessary or convenient to the exercise of the  
5 foregoing powers or reasonably implied therefrom.  
6 (cf: P.L.2017, c.144, s.2)

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

10       6. a. Except as may be otherwise expressly provided in the  
11 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
12 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of  
13 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
14 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or the  
15 provisions of P.L. , c. (C. ) (pending before the Legislature as  
16 this bill), the trust may from time to time issue its bonds, notes, or  
17 other obligations in any principal amounts as in the judgment of the  
18 trust shall be necessary to provide sufficient funds for any of its  
19 corporate purposes, including the payment, funding, or refunding of  
20 the principal of, or interest or redemption premiums on, any bonds,  
21 notes, or other obligations issued by it, whether the bonds, notes, or  
22 other obligations or the interest or redemption premiums thereon to  
23 be funded or refunded have or have not become due, the  
24 establishment or increase of reserves or other funds to secure or to  
25 pay the bonds, notes, or other obligations or interest thereon and all  
26 other costs or expenses of the trust incident to and necessary to carry  
27 out its corporate purposes and powers.

28       b. Whether or not the bonds, notes or other obligations of the  
29 trust are of a form and character as to be negotiable instruments under  
30 the terms of Title 12A of the New Jersey Statutes, the bonds, notes  
31 and other obligations are made negotiable instruments within the  
32 meaning of and for the purposes of Title 12A of the New Jersey  
33 Statutes, subject only to the provisions of the bonds, notes and other  
34 obligations for registration.

35       c. Bonds, notes or other obligations of the trust shall be  
36 authorized by a resolution or resolutions of the trust and may be  
37 issued in one or more series and shall bear any date or dates, mature  
38 at any time or times, bear interest at any rate or rates of interest per  
39 annum, be in any denomination or denominations, be in any form,  
40 either coupon, registered or book entry, carry any conversion or  
41 registration privileges, have any rank or priority, be executed in any  
42 manner, be payable in any coin or currency of the United States  
43 which at the time of payment is legal tender for the payment of public  
44 and private debts, at any place or places within or without the State,  
45 and be subject to any terms of redemption by the trust or the holders  
46 thereof, with or without premium, as the resolution or resolutions  
47 may provide. A resolution of the trust authorizing the issuance of  
48 bonds, notes or other obligations may provide that the bonds, notes

1 or other obligations be secured by a trust indenture between the trust  
2 and a trustee, vesting in the trustee any property, rights, powers and  
3 duties in trust consistent with the provisions of P.L.1985, c.334  
4 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**  
5 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
6 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
7 C.58:11B-22.4) , or the provisions of P.L. , c. (C. )(pending  
8 before the Legislature as this bill), as the trust may determine.

9 d. Bonds, notes or other obligations of the trust may be sold at  
10 any price or prices and in any manner as the trust may determine.  
11 Notwithstanding any provisions of the “Local Bond Law,”  
12 N.J.S.40A:2-1 et seq., to the contrary, each bond, note or other  
13 obligation shall mature and be paid not later than 30 years for  
14 environmental infrastructure projects, 45 years for combined sewer  
15 overflow projects, **[and]** 31 years for transportation projects, and 25  
16 years for climate change mitigation projects and climate change  
17 resilience projects, from the effective date thereof, or the certified  
18 useful life of the project or projects to be financed by the bonds,  
19 whichever is less, or a shorter period of time as may be applicable to  
20 any companion loan issued pursuant to federal law or regulation.

21 **[All]** Except as provided in section 6 of P.L. ,  
22 c. (C. )(pending before the Legislature as this bill), all bonds of  
23 the trust shall be sold at the price or prices and in the manner as the  
24 trust shall determine, after notice of sale, a summary of which shall  
25 be published at least once in at least three newspapers published in  
26 the State of New Jersey and at least once in a publication carrying  
27 municipal bond notices and devoted primarily to financial news  
28 published in New Jersey or the city of New York, the first summary  
29 notice to be at least five days prior to the day of bidding. The notice  
30 of sale may contain a provision to the effect that any or all bids made  
31 in pursuance thereof may be rejected. In the event of such rejection  
32 or of failure to receive any acceptable bid, the trust, at any time within  
33 60 days from the date of such advertised sale, may sell such bonds at  
34 private sale upon terms not less favorable to the State than the terms  
35 offered by any rejected bid. The trust may sell all or part of the bonds  
36 of any series as issued to any State fund or to the federal government  
37 or any agency thereof, at private sale, without advertisement.

38 e. Bonds, notes or other obligations of the trust may be issued  
39 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
40 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  
42 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4)  
43 , or the provisions of P.L. , c. (C. )(pending before the  
44 Legislature as this bill) without obtaining the consent of any  
45 department, division, board, bureau or agency of the State, and  
46 without any other proceedings or the happening of any other  
47 conditions or things, other than those consents, proceedings,  
48 conditions or things which are specifically required by P.L.1985,

1 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
2 **【or】** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
4 C.58:11B-22.4) , or P.L. , c. (C. ) (pending before the  
5 Legislature as this bill).

6 f. Bonds, notes or other obligations of the trust issued under the  
7 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
8 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34 through 38 of  
9 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
10 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or the  
11 provisions of P.L. , c. (C. ) (pending before the Legislature as  
12 this bill) shall not be a debt or liability of the State or of any political  
13 subdivision thereof other than the trust and shall not create or  
14 constitute any indebtedness, liability or obligation of the State or any  
15 political subdivision, but all these bonds, notes and other obligations,  
16 unless funded or refunded by bonds, notes or other obligations, shall  
17 be payable solely from revenues or funds pledged or available for  
18 their payment as authorized in 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  
21 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
22 or P.L. , c. (C. ) (pending before the Legislature as this bill).

23 Each bond, note and obligation shall contain on its face a statement  
24 to the effect that the trust is obligated to pay the principal thereof or  
25 the interest thereon only from its revenues, receipts or funds pledged  
26 or available for their payment as authorized in P.L.1985, c.334  
27 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】**  
28 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
29 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
30 C.58:11B-22.4), or P.L. , c. (C. ) (pending before the  
31 Legislature as this bill), and that neither the State, nor any political  
32 subdivision thereof, is obligated to pay the principal or interest and  
33 that neither the faith and credit nor the taxing power of the State, or  
34 any political subdivision thereof, is pledged to the payment of the  
35 principal of or the interest on the bonds, notes or other obligations.

36 g. The aggregate principal amount of bonds, notes or other  
37 obligations, including subordinated indebtedness of the trust, shall  
38 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other  
39 obligations issued to finance the Disaster Relief Emergency  
40 Financing Program established pursuant to section 1 of P.L.2013,  
41 c.93 (C.58:11B-9.5), and (2) \$3,800,000,000 with respect to bonds,  
42 notes, or other obligations issued for all other purposes of the trust.  
43 In computing the foregoing limitations there shall be excluded all the  
44 bonds, notes or other obligations, including subordinated  
45 indebtedness of the trust, which shall be issued for refunding  
46 purposes, whenever the refunding shall be determined to result in a  
47 savings.

1 (1) Upon the decision by the trust to issue refunding bonds,  
2 except for current refunding, and prior to the sale of those bonds, the  
3 trust shall transmit to the Joint Budget Oversight Committee, or its  
4 successor, a report that a decision has been made, reciting the basis  
5 on which the decision was made, including an estimate of the debt  
6 service savings to be achieved and the calculations upon which the  
7 trust relied when making the decision to issue refunding bonds. The  
8 report shall also disclose the intent of the trust to issue and sell the  
9 refunding bonds at public or private sale and the reasons therefor.

10 (2) The Joint Budget Oversight Committee or its successor shall  
11 have the authority to approve or disapprove the sales of refunding  
12 bonds as included in each report submitted in accordance with  
13 paragraph (1) of this subsection. The committee shall notify the trust  
14 in writing of the approval or disapproval within 30 days of receipt of  
15 the report. Should the committee not act within 30 days of receipt of  
16 the report, the trust may proceed with the sale of the refunding bonds,  
17 provided that the sale of refunding bonds shall realize not less than  
18 three percent net present value debt service savings.

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

23 (4) Within 30 days after the sale of the refunding bonds, the trust  
24 shall notify the committee of the result of that sale, including the  
25 prices and terms, conditions and regulations concerning the  
26 refunding bonds, the actual amount of debt service savings to be  
27 realized as a result of the sale of refunding bonds, and the intended  
28 use of the proceeds from the sale of those bonds.

29 (5) The committee shall review all information and reports  
30 submitted in accordance with this subsection and may, on its own  
31 initiative, make observations to the trust, or to the Legislature, or  
32 both, as it deems appropriate.

33 h. Each issue of bonds, notes, or other obligations of the trust  
34 may, if it is determined by the trust, be general obligations thereof  
35 payable out of any revenues, receipts or funds of the trust, or special  
36 obligations thereof payable out of particular revenues, receipts or  
37 funds, subject only to any agreements with the holders of bonds,  
38 notes or other obligations, and may be secured by one or more of the  
39 following:

40 (1) Pledge of revenues and other receipts to be derived from the  
41 payment of the interest on and principal of notes, bonds or other  
42 obligations issued to the trust by one or more local government units,  
43 or State entities, as applicable, and any other payment made to the  
44 trust pursuant to agreements with any local government units, or  
45 State entities, as applicable, or a pledge or assignment of any notes,  
46 bonds, or other obligations of any local government unit , or State  
47 entity, as applicable, and the rights and interest of the trust therein;

1 (2) Pledge of rentals, receipts and other revenues to be derived  
2 from leases or other contractual arrangements with any person or  
3 entity, public or private, including one or more local government  
4 units, or State entities, as applicable, or a pledge or assignment of  
5 those leases or other contractual arrangements and the rights and  
6 interest of the trust therein;

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

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

12 (5) A mortgage on all or any part of the property, real or personal,  
13 of the trust then owned or thereafter to be acquired, or a pledge or  
14 assignment of mortgages made to the trust by any person or entity,  
15 public or private, including one or more local government units, or  
16 State entities, as applicable, and the rights and interest of the trust  
17 therein.

18 i. The trust shall not issue any bonds, notes or other obligations,  
19 or otherwise incur any additional indebtedness, on or after June 30,  
20 2033.

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

23  
24 6. (New section) The trust shall issue one or more separate  
25 series of bonds, notes, or other obligations for the purpose of  
26 financing climate change mitigation projects and climate change  
27 resilience projects, which bonds, notes, or other obligations shall be  
28 known as “New Jersey Climate Bonds.” Proceeds from the sale of  
29 New Jersey Climate Bonds shall be deposited into the State Climate  
30 Change Mitigation and Resilience Bank Fund, and any other accounts  
31 or subaccounts established pursuant to P.L. , c. (C. )(pending  
32 before the Legislature as this bill) to be used solely to finance climate  
33 change mitigation and climate change resilience projects and for  
34 other costs associated with the New Jersey Climate Change  
35 Mitigation and Resilience Financing Program. New Jersey Climate  
36 Bonds shall be subject to the provisions of section 6 of P.L.1985,  
37 c.334 (C.58:11B-6), except that the trust shall, to the greatest extent  
38 practicable, make New Jersey Climate Bonds available for sale to  
39 individual investors, rather than institutional investors, and in  
40 denominations suitable for such sales, as determined by the trust.  
41 The trust shall develop mechanisms and procedures for the  
42 advertisement and public sale of New Jersey Climate Bonds to  
43 individual investors.

44  
45 7. Section 7 of P.L.1985, c.334 (C.58:11B-7) is amended to read  
46 as follows:

47 7. In any resolution of the trust authorizing or relating to the  
48 issuance of any of its bonds, notes or other obligations, the trust, in

- 1 order to secure the payment of the bonds, notes or other obligations  
2 and in addition to its other powers, may by provisions therein which  
3 shall constitute covenants by the trust and contracts with the holders  
4 of the bonds, notes or other obligations:
- 5 a. Secure the bonds, notes or other obligations as provided in  
6 section 6 of P.L.1985, c.334 (C.58:11B-6);
- 7 b. Covenant against pledging all or part of its revenues or  
8 receipts;
- 9 c. Covenant with respect to limitations on any right to sell,  
10 mortgage, lease or otherwise dispose of any notes, bonds or other  
11 obligations of local government units, or State entities, as applicable,  
12 or any part thereof, or any property of any kind;
- 13 d. Covenant as to any bonds, notes or other obligations to be  
14 issued by the trust, and the limitations thereon, and the terms and  
15 conditions thereof, and as to the custody, application, investment and  
16 disposition of the proceeds thereof;
- 17 e. Covenant as to the issuance of additional bonds, notes or other  
18 obligations of the trust or as to limitations on the issuance of  
19 additional bonds, notes or other obligations and on the incurring of  
20 other debts by it;
- 21 f. Covenant as to the payment of the principal of or interest on  
22 bonds, notes or other obligations of the trust, as to the sources and  
23 methods of payment, as to the rank or priority of the bonds, notes or  
24 other obligations with respect to any lien or security or as to the  
25 acceleration of the maturity of the bonds, notes or other obligations;
- 26 g. Provide for the replacement of lost, stolen, destroyed or  
27 mutilated bonds, notes or other obligations of the trust;
- 28 h. Covenant against extending the time for the payment of  
29 bonds, notes or other obligations of the trust or interest thereon;
- 30 i. Covenant as to the redemption of bonds, notes and other  
31 obligations by the trust or the holders thereof and privileges of  
32 exchange thereof for other bonds, notes or other obligations of the  
33 trust;
- 34 j. Covenant to create or authorize the creation of special funds  
35 or accounts to be held in trust or otherwise for the benefit of holders  
36 of bonds, notes and other obligations of the trust, or reserves for other  
37 purposes and as to the use, investment, and disposition of moneys  
38 held in those funds, accounts or reserves;
- 39 k. Provide for the rights and liabilities, powers and duties arising  
40 upon the breach of any covenant, condition or obligation and  
41 prescribe the events of default and terms and conditions upon which  
42 any or all of the bonds, notes or other obligations of the trust shall  
43 become or may be declared due and payable before maturity and the  
44 terms and conditions upon which the declaration and its  
45 consequences may be waived;
- 46 l. Vest in a trustee or trustees within or without the State any  
47 property, rights, powers and duties in trust as the trust may determine,  
48 which may include any or all of the rights, powers and duties of any

1 trustee appointed by the holders of any bonds, notes or other  
 2 obligations of the trust pursuant to section 18 of P.L.1985, c.334  
 3 (C.58:11B-18), including rights with respect to the sale or other  
 4 disposition of notes, bonds or other obligations of local government  
 5 units, or State entities, as applicable, pledged pursuant to a resolution  
 6 or trust indenture for the benefit of the holders of bonds, notes or  
 7 other obligations of the trust and the right by suit or action to  
 8 foreclose any mortgage pledged pursuant to the resolution or trust  
 9 indenture for the benefit of the holders of the bonds, notes or other  
 10 obligations, and to limit or abrogate the right of the holders of any  
 11 bonds, notes or other obligations of the trust to appoint a trustee under  
 12 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,  
 13 c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34 through 38 of  
 14 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
 15 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or the  
 16 provisions of P.L. , C. (C. ) (pending before the Legislature as  
 17 this bill), and to limit the rights, duties and powers of the trustee;

18 m. Pay the costs or expenses incident to the enforcement of the  
 19 bonds, notes or other obligations of the trust or of the provisions of  
 20 the resolution authorizing the issuance of those bonds, notes or other  
 21 obligations or of any covenant or agreement of the trust with the  
 22 holders of the bonds, notes or other obligations;

23 n. Limit the rights of the holders of any bonds, notes or other  
 24 obligations of the trust to enforce any pledge or covenant securing  
 25 the bonds, notes or other obligations; and

26 o. Make covenants other than or in addition to the covenants  
 27 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
 28 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34 through 38 of  
 29 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
 30 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or P.L. , c.  
 31 (C. ) (pending before the Legislature as this bill) of like or  
 32 different character, and make covenants to do or refrain from doing  
 33 any acts and things as may be necessary, or convenient and desirable,  
 34 in order to better secure the bonds, notes or other obligations of the  
 35 trust, or which, in the absolute discretion of the trust, would make the  
 36 bonds, notes or other obligations more marketable, notwithstanding  
 37 that the covenants, acts or things may not be enumerated herein.  
 38 (cf: P.L.2016, c.56, s.16)

39

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

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

1 government unit may lawfully undertake or acquire and for which the  
2 local government unit is authorized by law to borrow money.

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

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

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

24 (5) The trust may make and contract to make loans and provide  
25 other assistance to a State entity, local government unit, or private  
26 entity, or consortia thereof, to finance the cost of climate change  
27 mitigation projects and climate change resilience projects pursuant to  
28 the provisions of P.L. , c. (C. ) (pending before the Legislature  
29 as this bill).

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

1 Government Services in the Department of Community Affairs, and  
2 (3) notwithstanding the provisions of N.J.S.40A:2-27,  
3 N.J.S.40A:2-28 and N.J.S.40A:2-29 or any other provisions of law to  
4 the contrary, may be sold at private sale to the trust or the State, as  
5 the case may be, at any price, whether or not less than par value, and  
6 shall be subject to redemption prior to maturity at any times and at  
7 any prices as the trust or the State, as the case may be, and local  
8 government units may agree. Each loan to a local government unit,  
9 public water utility, State entity, or any other person and the notes,  
10 bonds or other obligations thereby issued shall bear interest at a rate  
11 or rates per annum as the trust or the State, as the case may be, and  
12 the local government unit, public water utility, State entity, or any  
13 other person, as the case may be, may agree.

14 b. The trust is authorized to guarantee or contract to guarantee  
15 the payment of all or any portion of the principal and interest on  
16 bonds, notes or other obligations issued by a local government unit  
17 or State entity to finance the cost of any wastewater treatment system  
18 project, water supply project, **【or】** transportation project, climate  
19 change mitigation project, or climate change resilience project which  
20 the local government unit or State entity, as applicable, may lawfully  
21 undertake or acquire and for which the local government unit or State  
22 entity, as applicable, is authorized by law to borrow money, and the  
23 guarantee shall constitute an obligation of the trust for the purposes  
24 of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
25 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34 through 38 of  
26 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
27 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or P.L. \_\_\_\_\_,  
28 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill). Each  
29 guarantee 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 guarantee.

34 c. The trust shall not make or contract to make any loans or  
35 guarantees to local government units, public water utilities, State  
36 entities, or any other person, or otherwise incur any additional  
37 indebtedness, on or after June 30, 2033.

38 d. Notwithstanding any provision of P.L.1985, c.334  
39 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the  
40 contrary, the trust may receive funds from any source including,  
41 without limitation, any funds drawn by the trust from a revolving line  
42 of credit or other similar financial vehicle that may be procured by  
43 the trust, either through a competitive or negotiated process, pursuant  
44 to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the  
45 Interim Environmental Financing Program Fund or the trust may  
46 issue its bonds, notes or other obligations, including commercial  
47 paper issued through a competitive or negotiated process, in any  
48 principal amounts, in either case, as in the judgment of the trust shall

1 be necessary to provide sufficient funds to finance or refinance short-  
2 term or temporary loans to local government units, public water  
3 utilities or private persons for any wastewater treatment system  
4 projects included on the Department of Environmental Protection  
5 project priority list and eligible for approval pursuant to section 20  
6 of P.L.1985, c.334 (C.58:11B-20) or water supply projects included  
7 on the Department of Environmental Protection project priority list  
8 and eligible for approval pursuant to section 24 of P.L.1997, c.224  
9 (C.58:11B-20.1), as applicable, without regard to any other  
10 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
11 c.224 (C.58:11B-10.1 et al.), including, without limitation, any  
12 administrative or legislative approvals.

13 The trust shall create and establish a special fund to be known as  
14 the "Interim Environmental Financing Program Fund" for the short-  
15 term or temporary loan financing or refinancing program to be known  
16 as the "Interim Environmental Financing Program." The monies in  
17 the fund shall be used for short-term or temporary loans for clean  
18 water and drinking water projects pursuant to the New Jersey  
19 Environmental Infrastructure Financing Program.

20 Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-9.5),  
21 any short-term or temporary loans made by the trust pursuant to this  
22 subsection may only be made in advance of the anticipated loans the  
23 trust may make and contract to make under the provisions of  
24 subsection a. of this section from any source of funds anticipated to  
25 be received by the trust. Any such short-term or temporary loan made  
26 pursuant to the Interim Environmental Financing Program shall  
27 mature no later than the last day of the third succeeding fiscal year  
28 following the closing date on which the short-term or temporary loan  
29 was made by the trust to the project sponsor; except a planning,  
30 design, and construction loan shall mature no later than the last day  
31 of the fifth succeeding fiscal year following the closing date of the  
32 planning, design, and construction loan or the last day of the third  
33 succeeding fiscal year following the date of construction certification  
34 following the closing date of the planning, design, and construction  
35 loan, whichever is sooner, provided that, in either case, project  
36 planning or engineering design activities shall not exceed two years  
37 from the closing date of the planning, design, and construction loan;  
38 and except a short-term or temporary loan made pursuant to this  
39 subsection for environmental planning and engineering design costs  
40 associated with long-term control plans for combined sewer overflow  
41 projects shall mature no later than the last day of the 10th succeeding  
42 fiscal year following the closing date on which the short-term or  
43 temporary loan was made by the trust to the project sponsor. With  
44 respect to any short-term or temporary loan or planning, design, and  
45 construction loan made by the trust pursuant to this subsection, the  
46 trust may authorize one short-term supplemental loan for residual  
47 project expenses thereof upon receipt by the trust from the  
48 Department of Environmental Protection of a certification that states

1 that the time required by the project sponsor to complete construction  
2 of the project exceeds the maximum maturity date of the project  
3 sponsor's outstanding short-term or temporary loan or planning,  
4 design, and construction loan. Any such short-term supplemental  
5 loan shall not exceed in duration the last day of the third succeeding  
6 fiscal year following the loan closing of the supplemental loan. The  
7 trust may make short-term or temporary loans pursuant to the Interim  
8 Environmental Financing Program to any one or more of the project  
9 sponsors, for the respective projects thereof, identified in the interim  
10 financing project priority list to be known as the "Interim  
11 Environmental Financing Program Project Priority List" in the form  
12 provided to the Legislature by the Commissioner of Environmental  
13 Protection.

14 The Interim Environmental Financing Program Project Priority  
15 List, including any revision thereof or supplement thereto, shall be  
16 submitted to the Legislature pursuant to section 2 of P.L.1991, c.164  
17 (C.52:14-19.1) at least once in each fiscal year as provided in section  
18 20 of P.L.1985, c.334 (C.58:11B-20) and section 24 of P.L.1997,  
19 c.224 (C.58:11B-20.1). The Secretary and the Clerk shall cause the  
20 date of submission to be entered upon the Senate Journal and the  
21 Minutes of the General Assembly, respectively. The trust may revise  
22 or supplement the Interim Environmental Financing Program Project  
23 Priority List no more than four times during the fiscal year and shall  
24 submit the revised list to the Legislature when the revisions are made.  
25 Any environmental infrastructure project or the project sponsor  
26 thereof not identified in the Interim Environmental Financing  
27 Program Project Priority List shall not be eligible for a short-term or  
28 temporary loan from the Interim Environmental Financing Program  
29 Fund. The trust may issue short-term or temporary loans pursuant to  
30 this subsection only if a project is listed on an Interim Environmental  
31 Financing Program Project Priority List that has been submitted to  
32 the Legislature. No funds may be disbursed pursuant to this section  
33 for project activities prior to a determination and certification, in  
34 writing, from the Department of Environmental Protection, that the  
35 project activities satisfy the provisions of P.L.1985, c.334  
36 (C.58:11B-1 et seq.).

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

1 Further, notwithstanding any provisions of the “Local Bond Law”  
2 (N.J.S.40A:2-1 et seq.), the “sewerage authorities law,” P.L.1946,  
3 c.138 (C.40:14A-1 et seq.), or the “municipal and county utilities  
4 authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to the  
5 contrary, any short-term or temporary loans made by the trust  
6 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1 of  
7 P.L.2013, c.93 (C.58:11B-9.5), and any notes or other obligations  
8 issued by project sponsors to evidence such short-term or temporary  
9 loans, as such loans, notes, or other obligations may be refinanced or  
10 extended, as provided in subsections d. and g. of this section and  
11 section 1 of P.L.2013, c.93 (C.58:11B-9.5), except for loans for  
12 environmental planning and engineering design costs associated with  
13 long-term control plans for combined sewer overflow projects as  
14 provided in subsection d. of this section, shall mature no later than  
15 the maturity date as established pursuant to subsections d. and g. of  
16 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), without  
17 payment by project sponsors of any portion of the principal thereof  
18 prior to maturity.

19 f. Any balances remaining in the Emergency Loan Fund  
20 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
21 the Planning and Design Fund established pursuant to section 1 of  
22 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal Loan  
23 Fund established pursuant to section 5 of P.L.2009, c.103  
24 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant to  
25 section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment Loan  
26 Fund established pursuant to section 1 of P.L.2014, c.28  
27 (C.58:11B-9.6) after the date of enactment of P.L.2016, c.30 shall be  
28 transferred to the Interim Environmental Financing Program Fund,  
29 and any loan repayments to the trust of principal and interest or  
30 premium on loans made from those funds shall be credited to the  
31 Interim Environmental Financing Program Fund.

32 g. The trust shall create and establish a special fund to be known  
33 as the “Interim Transportation Financing Program Fund” for the  
34 short-term or temporary loan financing or refinancing program to be  
35 known as the “Interim Transportation Financing Program.”

36 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et  
37 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary, the  
38 trust may receive funds from any source including, without  
39 limitation, any funds drawn by the trust from a revolving line of  
40 credit or other similar financial vehicle that may be procured by the  
41 trust, either through a competitive or negotiated process, pursuant to  
42 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the  
43 Interim Transportation Financing Program Fund or the trust may  
44 issue its bonds, notes, or other obligations in any principal amounts,  
45 in either case, as in the judgment of the trust shall be necessary to  
46 provide sufficient funds to finance or refinance short-term or  
47 temporary loans to local government units or private persons for any  
48 transportation project included on the Department of Transportation

1 Interim Transportation Financing Program Project Priority List for  
2 the ensuing fiscal year and eligible for approval pursuant to sections  
3 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
4 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
5 without regard to any other provisions of P.L.1985, c.334  
6 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
7 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
8 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
9 C.58:11B-22.4), including, without limitation, any administrative or  
10 legislative approvals.

11 Any short-term or temporary loans made by the trust pursuant to  
12 this subsection may only be made in advance of the anticipated loans  
13 the trust may make and contract to make under the provisions of  
14 subsection a. of this section from any source of funds anticipated to  
15 be received by the trust. Any such short-term or temporary loan made  
16 pursuant to the Interim Transportation Financing Program shall  
17 mature no later than the last day of the third succeeding fiscal year  
18 following the closing date on which the short-term or temporary loan  
19 was made by the trust to the project sponsor; except a planning,  
20 design, and construction loan shall mature no later than the last day  
21 of the fifth succeeding fiscal year following the closing date of the  
22 planning, design, and construction loan or the last day of the third  
23 succeeding fiscal year following the date of construction certification  
24 following the closing date of the planning, design, and construction  
25 loan, whichever is sooner, provided that, in either case, project  
26 planning or engineering design activities shall not exceed two years  
27 from the closing date of the planning, design, and construction loan.  
28 With respect to any short-term or temporary loan or planning, design,  
29 and construction loan made by the trust pursuant to this subsection,  
30 the trust may authorize one short-term supplemental loan for residual  
31 expenses thereof upon receipt by the trust from the Department of  
32 Transportation of a certification that states that the time required by  
33 the project sponsor to complete construction of the project exceeds  
34 the maximum maturity date of the short-term or temporary loan or  
35 planning, design, and construction loan. Any such short-term  
36 supplemental loan shall not exceed in duration the last day of the  
37 third succeeding fiscal year following the loan closing of the short-  
38 term supplemental loan. The trust may make short-term or temporary  
39 loans pursuant to the Interim Transportation Financing Program to  
40 any one or more of the project sponsors, for the respective projects  
41 thereof, only if a project is identified in the Department of  
42 Transportation Interim Transportation Financing Program Project  
43 Priority List to be known as the "Interim Transportation Financing  
44 Program Project Priority List" in the form provided to the Legislature  
45 by the Commissioner of Transportation.

46 The Interim Transportation Financing Program Project Priority  
47 List, including any revision thereof or supplement thereto, shall be  
48 submitted to the Secretary of the Senate and the Clerk of the General

1 Assembly on or before July 1 of each year. The Interim  
2 Transportation Financing Program Project Priority List shall be  
3 submitted to the Legislature pursuant to section 2 of P.L.1991, c.164  
4 (C.52:14-19.1) at least once in each fiscal year. The Secretary and  
5 the Clerk shall cause the date of submission to be entered upon the  
6 Senate Journal and the Minutes of the General Assembly,  
7 respectively. Any transportation infrastructure project or the project  
8 sponsor thereof not identified in the Interim Transportation  
9 Financing Program Project Priority List shall not be eligible for a  
10 short-term or temporary loan from the Interim Transportation  
11 Financing Program Fund. The trust may revise or supplement the  
12 Interim Transportation Financing Program Project Priority List no  
13 more than four times during the fiscal year, and shall submit the  
14 revised list to the Legislature when the revisions are made.

15 No funds may be disbursed pursuant to this subsection for project  
16 activities prior to written notification of award concurrence from the  
17 Department of Transportation and certification in writing, from the  
18 trust, that the project activities satisfy the provisions of P.L.1985,  
19 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
20 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
21 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
22 C.58:11B-22.4).

23 h. The trust shall create and establish a special fund to be known  
24 as the “Interim Climate Change Mitigation and Resilience Financing  
25 Program Fund” for the short-term or temporary loan financing or  
26 refinancing program to be known as the “Interim Climate Change  
27 Mitigation and Resilience Financing Program.” The monies in the  
28 fund shall be used for short-term or temporary loans for climate  
29 change mitigation projects and climate change resilience projects  
30 pursuant to the New Jersey Environmental Infrastructure Financing  
31 Program.

32 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et  
33 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary, the  
34 trust may receive funds from any source including, without  
35 limitation, any funds drawn by the trust from a revolving line of  
36 credit or other similar financial vehicle that may be procured by the  
37 trust, either through a competitive or negotiated process, pursuant to  
38 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the  
39 Interim Climate Change Mitigation and Resilience Financing  
40 Program Fund, or the trust may issue its bonds, notes, or other  
41 obligations in any principal amounts, in either case, as in the  
42 judgment of the trust shall be necessary to provide sufficient funds to  
43 finance or refinance short-term or temporary loans to State entities,  
44 local government units, and private entities for any climate change  
45 mitigation project or climate change resilience project included on  
46 the Interim Climate Change Mitigation and Resilience Financing  
47 Program Project Priority List for the ensuing fiscal year and eligible  
48 for approval pursuant to P.L. , c. (C. ) (pending before the

1 Legislature as this bill), without regard to any other provisions of  
2 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
3 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of P.L.2016,  
4 c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2,  
5 C.58:11B-22.3, and C.58:11B-22.4), including, without limitation,  
6 any administrative or legislative approvals.

7 Any short-term or temporary loans made by the trust pursuant to  
8 this subsection may only be made in advance of the anticipated loans  
9 the trust may make and contract to make under the provisions of  
10 subsection a. of this section from any source of funds anticipated to  
11 be received by the trust. Any such short-term or temporary loan made  
12 pursuant to the Interim Climate Change Mitigation and Resilience  
13 Financing Program shall mature no later than the last day of the third  
14 succeeding fiscal year following the closing date on which the short-  
15 term or temporary loan was made by the trust to the project sponsor;  
16 except a planning, design, and construction loan shall mature no later  
17 than the last day of the fifth succeeding fiscal year following the  
18 closing date of the planning, design, and construction loan or the last  
19 day of the third succeeding fiscal year following the date of  
20 construction certification following the closing date of the planning,  
21 design, and construction loan, whichever is sooner, provided that, in  
22 either case, project planning or engineering design activities shall not  
23 exceed two years from the closing date of the planning, design, and  
24 construction loan. The trust may make short-term or temporary loans  
25 pursuant to the Interim Climate Change Mitigation and Resilience  
26 Financing Program to any one or more of the project sponsors, for  
27 the respective projects thereof, only if a project is identified on the  
28 list to be known as the “Interim Climate Change Mitigation and  
29 Resilience Financing Program Project Priority List” in the form  
30 provided to the Legislature by the trust.

31 The Interim Climate Change Mitigation and Resilience Financing  
32 Program Project Priority List, including any revision thereof or  
33 supplement thereto, shall be submitted to the Secretary of the Senate  
34 and the Clerk of the General Assembly on or before July 1 of each  
35 year. The Interim Climate Change Mitigation and Resilience  
36 Financing Program Project Priority List shall be submitted to the  
37 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
38 at least once in each fiscal year. The Secretary and the Clerk shall  
39 cause the date of submission to be entered upon the Senate Journal  
40 and the Minutes of the General Assembly, respectively. A climate  
41 change mitigation project or climate change resilience project, or the  
42 project sponsor thereof, not identified in the Interim Climate Change  
43 Mitigation and Resilience Financing Program Project Priority List  
44 shall not be eligible for a short-term or temporary loan from the  
45 Interim Climate Change Mitigation and Resilience Financing  
46 Program Fund. The trust may revise or supplement the Interim  
47 Climate Change Mitigation and Resilience Financing Program  
48 Project Priority List no more than four times during the fiscal year,

1 and shall submit the revised list to the Legislature when the revisions  
2 are made.

3 No funds may be disbursed pursuant to this subsection for project  
4 activities prior to written notification of award certification in writing  
5 from the trust that the project activities satisfy the provisions of  
6 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
7 (C.58:11B-10.1 et al.), and P.L. , c. (C. ) (pending before the  
8 Legislature as this bill).  
9 (cf: P.L.2019, c.516, s.2)

10  
11 9. (New section) a. There is established in the New Jersey  
12 Infrastructure Bank the New Jersey Climate Change Mitigation and  
13 Resilience Financing Program. The purpose of the program shall be  
14 to provide low interest loans and other forms of financial assistance,  
15 as the trust deems appropriate, to State entities, local government  
16 units, and private entities to develop and finance climate change  
17 mitigation projects and climate change resilience projects approved  
18 by the department and the board pursuant to P.L. c. (C. )  
19 (pending before the Legislature as this bill). The trust, the  
20 Department of Environmental Protection, and the Board of Public  
21 Utilities shall develop criteria for participation in the New Jersey  
22 Climate Change Mitigation and Resilience Financing Program, and  
23 for the approval and disapproval of applications for financial  
24 assistance.

25  
26 10. (New Section) a. There is established in the New Jersey  
27 Infrastructure Bank a special fund to be known as the Climate Change  
28 Mitigation and Resilience Loan Origination Fee Fund. The Climate  
29 Change Mitigation and Resilience Loan Origination Fee Fund shall  
30 be credited with:

31 (1) monies deposited into the fund as loan origination fees  
32 received by the trust and paid by loan applicants for climate change  
33 mitigation projects and climate change resilience projects financed  
34 under the New Jersey Climate Change Mitigation and Resilience  
35 Financing Program; and

36 (2) any interest paid on the amounts of the climate change  
37 mitigation and resilience loan origination fees.

38 b. Monies in the Climate Change Mitigation and Resilience Loan  
39 Origination Fee Fund shall be drawn and used by the trust to  
40 reimburse the trust for administrative and operating expenses  
41 incurred in administering the New Jersey Climate Change Mitigation  
42 and Resilience Financing Program, except that the total amount  
43 expended by the trust for administrative and operating expenses in  
44 any fiscal year shall not exceed \$5,000,000. The monies in the  
45 Climate Change Mitigation and Resilience Loan Origination Fee  
46 Fund shall also be available for application and disbursement by the  
47 trust for loans to State entities or local government units for the cost  
48 of climate change mitigation projects and climate change resilience

1 projects. Amounts in excess of the funds drawn by the trust from the  
2 Climate Change Mitigation and Resilience Loan Origination Fee  
3 Fund during any given fiscal year shall be carried forward into the  
4 following fiscal year and held on deposit in the fund.

5 c. As used in this section, “climate change mitigation and  
6 resilience loan origination fee” means the fee charged by the trust in  
7 connection with engineering and other services provided by the trust  
8 to a project sponsor in connection with the project sponsor’s  
9 participation in the New Jersey Climate Change Mitigation and  
10 Resilience Financing Program. A project sponsor may finance any  
11 portion of the climate change mitigation and resilience loan  
12 origination fee through a project loan to pay a portion of the costs  
13 incurred by the trust in the implementation of the New Jersey Climate  
14 Change Mitigation and Resilience Financing Program.

15  
16 11. (New section) a. The trust shall create and establish a special  
17 fund to be known as the State Climate Change Mitigation and  
18 Resilience Bank Fund. The monies in the State Climate Change  
19 Mitigation and Resilience Bank Fund shall be used to provide loans  
20 and other financial assistance to climate change mitigation projects  
21 and climate change resilience projects funded by the New Jersey  
22 Climate Change Mitigation and Resilience Financing Program, and  
23 for other corporate purposes of the trust’s administration and  
24 management of the New Jersey Climate Change Mitigation and  
25 Resilience Financing Program, subject to agreements with the  
26 holders of bonds, notes or other obligations of the trust. The State  
27 Climate Change Mitigation and Resilience Bank Fund shall be  
28 credited with:

29 (1) State and federal funds appropriated to the State Climate  
30 Change Mitigation and Resilience Bank Fund;

31 (2) monies received as repayment of the principal of, and the  
32 interest or premium on loans made from the State Climate Change  
33 Mitigation and Resilience Bank Fund;

34 (3) any interest earnings received on the monies in the State  
35 Climate Change Mitigation and Resilience Bank Fund; and

36 (4) any other monies the Legislature may appropriate to the trust  
37 for deposit into the State Climate Change Mitigation and Resilience  
38 Bank Fund to finance or refinance loans for climate change  
39 mitigation projects and climate change resilience projects issued  
40 from the State Climate Change Mitigation and Resilience Bank Fund,  
41 including moneys received by the State Treasurer from the non-  
42 bypassable charge imposed on electric public utility customers  
43 pursuant to section 24 of P.L. , c. (C. )(pending before the  
44 Legislature as this bill).

45 b. Notwithstanding any provisions of P.L. c. (C. )(pending  
46 before the Legislature as this bill) to the contrary, all monies placed  
47 into the State Climate Change Mitigation and Resilience Bank Fund  
48 shall be held separate from other funds of the trust, and no funds used

1 to finance climate change mitigation projects and climate change  
2 resilience projects shall be combined or comingled with any funds  
3 that finance (1) wastewater treatment system projects, (2) water  
4 supply projects, (3) other environmental infrastructure projects, or  
5 (4) transportation, transit, marine or aviation projects, which are not  
6 climate change mitigation projects or climate change resilience  
7 projects.

8 c. The trust may establish or direct the establishment of federal  
9 and State accounts or subaccounts as may be necessary to meet any  
10 applicable federal law requirements or desirable for the efficient  
11 administration of the trust.

12  
13 12. (New section) a. The Commissioner of Environmental  
14 Protection, in consultation with the Board of Public Utilities and the  
15 trust, shall, for each fiscal year, develop a priority system, ranking  
16 criteria, and funding policies for climate change mitigation projects  
17 and climate change resilience projects. The commissioner shall  
18 prioritize projects that have the largest impact on protecting human  
19 health, safety, the environment, or critical infrastructure, from the  
20 adverse effects of climate change; reducing the State's greenhouse  
21 gas emissions; and meeting the State's clean energy goals. The  
22 Commissioner Environmental Protection shall set forth a Climate  
23 Change Mitigation and Resilience Financing Program Project  
24 Priority List, hereinafter referred to as the "climate change mitigation  
25 and resilience project priority list," for funding by the trust for each  
26 fiscal year and shall include the aggregate amount of funds of the  
27 trust to be authorized for these purposes. The climate change  
28 mitigation and resilience project priority list shall include a  
29 description of each climate change mitigation project and climate  
30 change resilience project and an explanation of the manner in which  
31 projects are ranked.

32 The climate change mitigation and resilience project priority list  
33 for the ensuing fiscal year shall be submitted to the Legislature on or  
34 before January 15 of each year. The Secretary and the Clerk shall  
35 cause the date of submission to be entered upon the Senate Journal  
36 and the Minutes of the General Assembly, respectively. Incremental  
37 revisions or supplements to the climate change mitigation and  
38 resilience project priority list may be submitted to the Legislature as  
39 provided in subsection g. of section 9 of P.L.1985, c.334  
40 (C.58:11B-9). A climate change mitigation project or climate change  
41 resilience project shall be eligible for funding pursuant to this section  
42 only if it is identified on a climate change mitigation and resilience  
43 project priority list.

44 b. The Commissioner of Environmental Protection, in  
45 consultation with the President of the Board of Public Utilities, shall  
46 set forth a Climate Change Mitigation and Resilience Financing  
47 Program Project Eligibility List for long-term funding by the trust  
48 and shall include the aggregate amount of funds to be authorized for

1 these purposes. The Climate Change Mitigation and Resilience  
2 Financing Program Project Eligibility List shall consist of Climate  
3 Change Mitigation and Resilience Financing Program Project  
4 Priority List projects certified by the Department of Environmental  
5 Protection and the Board of Public Utilities that have commenced  
6 construction and demonstrated to the department a high likelihood of  
7 construction completion within three years of the date of funding.

8 On or before May 15 of each year, the trust shall submit the  
9 Climate Change Mitigation and Resilience Financing Program  
10 Project Eligibility List for the ensuing fiscal year including any  
11 amendatory or supplementary provisions thereto, which shall include  
12 the authorization of an aggregate amount of funds of the trust to be  
13 expended for loans and guarantees for the specific climate change  
14 mitigation projects or climate change resilience projects, including  
15 the individual amounts therefor, to be introduced in each House in  
16 the form of legislative appropriations bills.

17 On or before July 1 of each year, the Legislature shall approve an  
18 appropriations act containing the Climate Change Mitigation and  
19 Resilience Program Project Eligibility List, including any  
20 amendatory or supplementary provisions thereto, which act shall  
21 include the authorization of an aggregate amount of funds of the trust  
22 to be expended for long-term loans and guarantees for the climate  
23 change mitigation and resilience projects, including the individual  
24 amounts for each project included on the list.

25 c. On or before October 15 of each year, the trust may submit an  
26 amended Climate Change Mitigation and Resilience Financing  
27 Program Project Eligibility List to be introduced in each House in the  
28 form of legislative appropriations bills for approval by the  
29 Legislature on or before January 15 of the following calendar year in  
30 the manner set forth in subsection a. and subsection b. of this section.

31 d. The trust shall not expend any money for a long-term loan or  
32 guarantee during a fiscal year for any climate change mitigation  
33 project or climate change resilience project unless the expenditure  
34 has been authorized pursuant to a State annual appropriations act of  
35 the current or three immediately preceding fiscal years as provided  
36 in the provisions of this section, or as otherwise set forth in an  
37 appropriations act.

38 e. The trust shall submit to the Secretary of the Senate and the  
39 Clerk of the General Assembly on or before January 15 of each year  
40 a report which shall identify the climate change mitigation projects  
41 and climate change resilience projects financed during the prior fiscal  
42 year, including a project description, the amount of the loan provided  
43 for each project, and the duration of each loan.

44

45 13. (New section) a. On or before May 15 of each year, the trust  
46 shall submit to the Legislature a financial plan designed to implement  
47 the financing of the climate change mitigation projects and climate  
48 change resilience projects on the Climate Change Mitigation and

1 Resilience Financing Program Project Priority List or the Climate  
2 Change Mitigation and Resilience Financing Program Project  
3 Eligibility List. The financial plan shall contain an enumeration of  
4 the bonds, notes or other obligations of the trust which the trust  
5 intends to issue, including the amounts thereof and the terms and  
6 conditions thereof, a list of loans to be made to State entities, local  
7 government units, and private entities, including the terms and  
8 conditions thereof and the anticipated rate of interest per annum and  
9 repayment schedule therefor and a list of loan guarantees or contracts  
10 to guarantee the payment of all or a portion of the principal and  
11 interest on bonds, notes or other obligations issued by a State entity  
12 or local government unit to finance the cost of a climate change  
13 mitigation project or climate change resilience project, and the terms  
14 and conditions thereof.

15 The financial plan shall also set forth a complete operating and  
16 financial statement covering proposed operations of the State Climate  
17 Change Mitigation and Resilience Bank Fund during the forthcoming  
18 fiscal year, including amounts of income from all sources, and the  
19 uniform schedule of fees and charges established by the trust  
20 pursuant to subsection o. of section 5 of P.L.1985, c.334  
21 (C.58:11B-5), and the amounts to be derived therefrom, and shall  
22 summarize the status of each climate change mitigation project and  
23 climate change resilience project for which loans or guarantees have  
24 been made by the trust.

25 b. On or before June 30 of each year the Legislature may reject  
26 the financial plan through the adoption by both houses of a  
27 concurrent resolution. If the Legislature rejects the financial plan,  
28 the trust shall not undertake any of the proposed activities contained  
29 therein. If the Legislature takes no action on or before June 30, the  
30 financial plan shall be deemed approved.

31 c. The financial plan for the State Climate Change Mitigation and  
32 Resilience Bank Fund shall not be eligible for inclusion in a  
33 consolidated financial plan as established in section 27 of P.L.1997,  
34 c.224 (C.58:11B-22.2).

35

36 14. (New section) The trust shall, within two years after the  
37 effective date of P.L. , c. (C. ) (pending before the Legislature  
38 as this bill), and every two years thereafter, prepare a report to the  
39 Governor and, pursuant to section 2 of P.L.1991, c.164  
40 (C.52:14-19.1), to the Legislature regarding the number, nature,  
41 structure, and scope of climate change mitigation projects and  
42 climate change resilience projects financed pursuant to P.L. ,  
43 c. (C. ) (pending before the Legislature as this bill), including:  
44 (1) a description of the types of projects financed; (2) the climate and  
45 other environmental benefits of those projects; (3) benefits to public  
46 health, safety, and the environment and critical infrastructure; (4) job  
47 creation and other economic and societal benefits; and (5) costs  
48 incurred. The report shall also address any implementation issues,

1 including staffing and resource requirements, and may provide  
2 recommendations regarding how the New Jersey Climate Mitigation  
3 and Resilience Financing Program may be improved, expanded, or  
4 made more efficient.

5  
6 15. Section 13 of P.L.1985, c.334 (C.58:11B-13) is amended to  
7 read as follows:

8 13. Neither the directors of the trust nor any person executing  
9 bonds, notes or other obligations of the trust issued pursuant to  
10 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
11 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34 through 38 of  
12 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
13 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or P.L.\_\_\_\_,  
14 c. (C.\_\_\_\_) (pending before the Legislature as this bill) shall be liable  
15 personally on the bonds, notes or other obligations by reason of the  
16 issuance thereof.

17 (cf: P.L.2016, c.56, s.24)

18  
19 16. Section 14 of P.L.1985, c.334 (C.58:11B-14) is amended to  
20 read as follows:

21 14. The State does pledge to and covenant and agree with the  
22 holders of any bonds, notes or other obligations of the trust issued  
23 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.),  
24 P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34  
25 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
26 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4)  
27 , or P.L.\_\_\_\_, c. (C.\_\_\_\_) (pending before the Legislature as this bill)  
28 that the State shall not limit or alter the rights or powers vested in the  
29 trust to perform and fulfill the terms of any agreement made with the  
30 holders of the bonds, notes or other obligations or to fix, establish,  
31 charge and collect any rents, fees, rates, payments or other charges  
32 as may be convenient or necessary to produce sufficient revenues to  
33 meet all expenses of the trust and to fulfill the terms of any agreement  
34 made with the holders of bonds, notes or other obligations, including  
35 the obligations to pay the principal of and interest and premium on  
36 those bonds, notes or other obligations, with interest on any unpaid  
37 installments of interest, and all costs and expenses in connection with  
38 any action or proceedings by or on behalf of the holders, and shall  
39 not limit or alter the rights and powers of any local government unit  
40 or State entity, as applicable, to pay and perform its obligations owed  
41 to the trust in connection with loans received from the trust, until the  
42 bonds, notes and other obligations of the trust, together with interest  
43 thereon, are fully met and discharged or provided for.

44 (cf: P.L.2016, c.56, s.25)

1        17. Section 15 of P.L.1985, c.334 (C.58:11B-15) is amended to  
2 read as follows:

3        15. The State and all public officers, governmental units and  
4 agencies thereof, all banks, trust companies, savings banks and  
5 institutions, building and loan associations, savings and loan  
6 associations, investment companies, and other persons carrying on a  
7 banking business, all insurance companies, insurance associations  
8 and other persons carrying on an insurance business, and all  
9 executors, administrators, guardians, trustees and other fiduciaries  
10 may legally invest any sinking funds, moneys or other funds  
11 belonging to them or within their control in any bonds, notes or other  
12 obligations issued pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.),  
13 P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34  
14 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
15 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
16 or P.L. , c. (C. ) (pending before the Legislature as this bill),  
17 and those bonds, notes or other obligations shall be authorized  
18 security for any and all public deposits.  
19 (cf: P.L.2016, c.56, s.26)  
20

21        18. Section 17 of P.L.1985, c.334 (C.58:11B-17) is amended to  
22 read as follows:

23        17. All property of the trust is declared to be public property  
24 devoted to an essential public and governmental function and purpose  
25 and the revenues, income and other moneys received or to be received  
26 by the trust shall be exempt from all taxes of the State or any political  
27 subdivision thereof. All bonds, notes and other obligations of the  
28 trust issued pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.),  
29 P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34  
30 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
31 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
32 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
33 are declared to be issued by a body corporate and politic of the State  
34 and for an essential public and governmental purpose and those  
35 bonds, notes and other obligations, and interest thereon and the  
36 income therefrom and from the sale, exchange or other transfer  
37 thereof shall at all times be exempt from taxation, except for transfer  
38 inheritance and estate taxes.  
39 (cf: P.L.2016, c.56, s.27)  
40

41        19. Section 18 of P.L.1985, c.334 (C.58:11B-18) is amended to  
42 read as follows:

43        18. a. If the trust defaults in the payment of principal of, or  
44 interest on, any issue of its bonds, notes or other obligations after  
45 these are due, whether at maturity or upon call for redemption, and  
46 the default continues for a period of 30 days or if the trust defaults in  
47 any agreement made with the holders of any issue of bonds, notes or  
48 other obligations, the holders of 25 percent in aggregate principal

1 amount of the bonds, notes or other obligations of the issue then  
2 outstanding, by instrument or instruments filed in the office of the  
3 clerk of any county in which the trust operates and has an office and  
4 proved or acknowledged in the same manner as required for a deed  
5 to be recorded, may direct a trustee to represent the holders of the  
6 bonds, notes or other obligations of the issuers for the purposes  
7 herein provided.

8 b. Upon default, the trustee may, and upon written request of the  
9 holders of 25 percent in principal amount of the bonds, notes or other  
10 obligations of the trust of a particular issue then outstanding shall, in  
11 the trustee's own name:

12 (1) By suit, action or proceeding enforce all rights of the holders  
13 of bonds, notes or other obligations of the issue, to require the trust  
14 to carry out any other agreements with the holders of the bonds, notes  
15 or other obligations of the issue and to perform its duties under  
16 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
17 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of  
18 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
19 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or P.L. \_\_\_\_\_,  
20 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill) ;

21 (2) Bring suit upon the bonds, notes or other obligations of the  
22 issue;

23 (3) By action or suit, require the trust to account as if it were the  
24 trustee of an express trust for the holders of the bonds, notes or other  
25 obligations of the issue;

26 (4) By action or suit, enjoin any acts or things which may be  
27 unlawful or in violation of the rights of the holders of the bonds, notes  
28 or other obligations of the issue;

29 (5) Sell or otherwise dispose of bonds and notes of local  
30 government units , or State entities, as applicable, pledged pursuant  
31 to resolution or trust indenture for benefit of holders of bonds, notes,  
32 or other obligations of the issue on any terms as resolution or trust  
33 indenture may provide;

34 (6) By action or suit, foreclose any mortgage pledged pursuant to  
35 the resolution or trust indenture for the benefit of the holders of the  
36 bonds, notes or other obligations of the issue;

37 (7) Declare all bonds, notes or other obligations of the issue due  
38 and payable, and if all defaults are made good, then with the consent  
39 of the holders of 50 percent of the principal amount of the bonds,  
40 notes or other obligations of the issue then outstanding, to annul the  
41 declaration and its consequences.

42 c. The trustee shall, in addition to the foregoing, have those  
43 powers necessary or appropriate for the exercise of any function  
44 specifically set forth herein or incident to the general representation  
45 of holders of bonds, notes or other obligations of the trust in the  
46 enforcement and protection of their rights.

47 d. The Superior Court shall have jurisdiction over any suit,  
48 action or proceeding by the trustees on behalf of the holders of bonds,

1 notes or other obligations of the trust. The venue of any suit, action  
2 or proceeding shall be in the county in which the principal office of  
3 the trust is located.

4 e. Before declaring the principal of bonds, notes or other  
5 obligations of the trust due and payable as a result of a trust default  
6 on any of its bonds, notes or other obligations, the trustee shall first  
7 give 30 days' notice in writing to the trust and to the Governor, State  
8 Treasurer, President of the Senate and Speaker of the General  
9 Assembly.

10 (cf: P.L.2016, c.56, s.28)

11  
12 20. Section 19 of P.L.1985, c.334 (C.58:11B-19) is amended to  
13 read as follows:

14 19. Sums of money received pursuant to the authority of  
15 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
16 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of  
17 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
18 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or P.L. \_\_\_\_\_,  
19 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), whether as  
20 proceeds from the sale of particular bonds, notes or other obligations  
21 of the trust or as particular revenues or receipts of the trust, are  
22 deemed to be trust funds, to be held and applied solely as provided  
23 in the resolution or trust indenture under which the bonds, notes or  
24 obligations are authorized or secured. Any officer with whom or any  
25 bank or trust company with which those sums of money are deposited  
26 as trustee thereof shall hold and apply the same for the purposes  
27 thereof, subject to any provision as the aforementioned acts and the  
28 resolution or trust indenture authorizing or securing the bonds, notes  
29 or other obligations of the trust may provide.

30 (cf: P.L.2016, c.56, s.29)

31  
32 21. Section 23 of P.L.1985, c.334 (C.58:11B-23) is amended to  
33 read as follows:

34 23. a. No funds from State sources or State bond issues used to  
35 capitalize the trust shall be available for use by the trust unless  
36 appropriated by law to the trust.

37 b. No funds shall be expended by the trust for its annual  
38 operating expenses unless appropriated by law to the trust. Unless  
39 required to be otherwise applied pursuant to law, funds generated by  
40 the operation of the trust, including, but not limited to: proceeds from  
41 the sale of the trust's bonds, notes or other obligations; revenues  
42 derived from investments by the trust; loan repayments from local  
43 government units; and fees and charges levied by the trust, may  
44 thereafter be applied in accordance with the provisions of P.L.1985,  
45 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
46 **[or]** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
47 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
48 C.58:11B-22.4) , or P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (pending before the

1 Legislature as this bill), for any corporate purpose of the trust without  
 2 appropriation; except that the funds shall only be used to make loans  
 3 or guarantees approved by the Legislature in accordance with the  
 4 provisions of sections 20, 21, and 22 of P.L.1985, c.334  
 5 (C.58:11B-20, C.58:11B-21 and C.58:11B-22), sections 24, 25, and  
 6 26 of P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1 and  
 7 C.58:11B-22.1), **【or】** sections 35 through 37 of P.L.2016, c.56  
 8 (C.58:11B-10.5, C.58:11B-20.2, and C.58:11B-22.3) , or P.L.      ,  
 9 c. (C.     ) (pending before the Legislature as this bill).

10 c. The trust shall not apply for federal funds, including funds  
 11 which are authorized pursuant to the "Federal Water Pollution  
 12 Control Act Amendments of 1972," Pub.L. 92-500 (33 U.S.C. s.1251  
 13 et seq.), and any amendatory or supplementary acts thereto, except  
 14 the trust is expressly authorized to apply, in consultation with the  
 15 Department of Environmental Protection, for funds under the "Water  
 16 Infrastructure Finance and Innovation Act," (WIFIA) 33 U.S.C.  
 17 s.3901 et seq. as amended or superseded, with notice to the  
 18 Department of Transportation, for funds under the Transportation  
 19 Infrastructure Finance and Innovation Act (TIFIA) 23 U.S.C. 601  
 20 through 23 U.S.C. 609 as amended or superseded, and provisions of  
 21 the Moving Ahead for Progress in the 21st Century Act (MAP-21)  
 22 Pub. L. 112-141, the Fixing America's Surface Transportation Act  
 23 (FAST Act) Pub. L. 114-94, the Transportation Equity Act for the  
 24 21st Century (TEA-21) Pub. L. 105-178, the Safe, Accountable,  
 25 Flexible and Efficient Transportation Equity Act: a Legacy for User  
 26 ("SAFETEA-LU") Pub. L. 109-59, and the Rail Safety Improvement  
 27 Act of 2008 Pub. L. 110-432, or any subsequent law concerning  
 28 federal surface transportation programs as applicable.

29 The trust, with the concurrence of the Commissioner of  
 30 Environmental Protection, may receive, accept or utilize moneys  
 31 received from local government units as repayments of principal and  
 32 interest on loans made from the State Revolving Fund Accounts  
 33 established pursuant to section 1 of P.L.1988, c.133.

34 Repayments of principal and interest on all federal funds for which  
 35 the New Jersey Infrastructure Bank is expressly permitted to apply  
 36 shall be the responsibility of the borrowers of New Jersey  
 37 Infrastructure Bank loans issued utilizing those federal funds, and in  
 38 no way shall it be the responsibility of the State of New Jersey or the  
 39 Department of Transportation.  
 40 (cf: P.L.2019, c.516, s.6)

41

42 22. Section 25 of P.L.1985, c.334 (C.58:11B-25) is amended to  
 43 read as follows:

44 25. The trust shall establish the rules and regulations governing  
 45 the making and use of loans or guarantees, including, but not limited  
 46 to, procedures for the submission of loan guarantee requests,  
 47 standards for the evaluation of requests, provisions implementing  
 48 priority systems for projects, reporting requirements of the recipient

1 of any loan or guarantee concerning the progress and the expenditure  
2 of funds, and limitations, restrictions or requirements concerning the  
3 use of loan funds as the trust shall prescribe; provided that the rules  
4 and regulations shall be in compliance with the terms and provisions  
5 of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
6 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34 through 38 of  
7 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
8 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or P.L.\_\_\_\_ ,  
9 c. (C.\_\_\_\_) (pending before the Legislature as this bill), relating to  
10 the making of or eligibility for loans or guarantees for environmental  
11 infrastructure projects generally or for any particular type or class of  
12 wastewater treatment system or water supply projects.  
13 (cf: P.L.2016, c.56, s.31)  
14

15 23. Section 27 of P.L.1985, c.334 (C.58:11B-27) is amended to  
16 read as follows:

17 27. The trust shall adopt such rules and regulations as it deems  
18 necessary to effectuate the purposes of P.L.1985, c.334  
19 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.),  
20 including those required pursuant to sections 25 and 26 of P.L.1985,  
21 c.334 (C.58:11B-25 and C.58:11B-26), **【and】** sections 22 and 34  
22 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through  
23 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4),  
24 and P.L.\_\_\_\_ , c. (C.\_\_\_\_) (pending before the Legislature as this bill),  
25 in accordance with the "Administrative Procedure Act," P.L.1968,  
26 c.410 (C.52:14B-1 et seq.).  
27 (cf: P.L.2016, c.56, s.33)  
28

29 24. (New section) a. The board shall order each electric public  
30 utility, beginning 120 days after the effective date of P.L.\_\_\_\_ ,  
31 c. (C.\_\_\_\_)(pending before the Legislature as this bill), to charge  
32 and collect from each retail distribution customer a non-bypassable,  
33 irrevocable charge in the amount of \$0.0003 per kilowatt-hour sold  
34 to the customer. Revenues collected by each electric public utility  
35 from the non-bypassable, irrevocable charge shall be remitted to the  
36 State Treasurer for deposit into the State Climate Change Mitigation  
37 and Resilience Bank Fund established pursuant to section 11 of  
38 P.L.\_\_\_\_ , c. (C.\_\_\_\_)(pending before the Legislature as this bill) and  
39 used solely for the purposes of that fund.

40 b. The charge imposed pursuant to subsection a. of this section  
41 shall decrease to:

42 (1) \$0.0002 per kilowatt-hour sold upon certification by the  
43 President of the Board of Public Utilities that 50 percent of the  
44 kilowatt hours sold in the State by each electric power supplier and  
45 each basic generation service provider are from Class I and Class II  
46 renewable energy sources;

47 (2) \$0.0001 per kilowatt-hour sold upon certification by the  
48 President of the Board of Public Utilities that 75 percent of the

1 kilowatt hours sold in the State by each electric power supplier and  
2 each basic generation service provider are from Class I and Class II  
3 renewable energy sources.

4 c. The charge imposed pursuant to subsection a. of this section  
5 shall become inoperative upon certification by the President of the  
6 Board of Public Utilities that 100 percent of the kilowatt hours sold  
7 in the State by each electric power supplier and each basic generation  
8 service provider are from Class I and Class II renewable energy  
9 sources. Any certification made by the President of the Board of  
10 Public Utilities pursuant to this section shall take the form of a board  
11 order issued pursuant to R.S.48:2-40.

12  
13 25. This act shall take effect immediately.

#### 14 15 16 STATEMENT

17  
18 This bill would establish the Climate Change Mitigation and  
19 Resilience Financing Program in the New Jersey Infrastructure Bank  
20 (NJIB) and impose a per-kilowatt hour charge on electric public  
21 utility customers to finance the program.

22 The purpose of the program would be to provide low interest loans  
23 and other financial assistance, through the NJIB, for climate change  
24 mitigation and resilience projects. Under the bill, “climate change  
25 mitigation project” means a project whose primary purpose is the  
26 construction, development, or production of energy sources,  
27 infrastructure, land management techniques, or technologies that  
28 eliminate, reduce, or sequester greenhouse gas emissions in the State.  
29 Climate change mitigation projects would include Class I or Class II  
30 renewable energy sources, community solar projects, energy  
31 efficiency improvements, energy storage, zero-emission vehicle  
32 infrastructure, zero-emission public transportation, carbon capture  
33 and sequestration technologies, reforestation of degraded land, or  
34 wetlands preservation and restoration. “Climate change resilience  
35 project” means an infrastructure project whose primary purpose is to  
36 protect human health, safety, the environment, or public  
37 infrastructure from the adverse effects of climate change including  
38 drought, sea level rise, extreme weather events, and harmful algal  
39 blooms. Climate change resilience projects would include sea  
40 barriers or other flood protection projects; water storage systems; the  
41 removal, relocation, or redesign of public infrastructure; and projects  
42 to mitigate harmful algal blooms.

43 The NJIB would be authorized to make both short-term and long-  
44 term loans to finance climate change mitigation and resilience  
45 projects, and to issue bonds, notes, or other obligations to fund the  
46 program. Under the bill, the NJIB would be required to issue one or  
47 more separate series of bonds to be known as “New Jersey Climate  
48 Bonds.” Proceeds from the bonds would be deposited into the State

1 Climate Change Mitigation and Resilience Bank Fund, established  
2 under the bill, and used to finance climate change mitigation and  
3 resilience projects and for other costs associated with the financing  
4 program. Issuance of New Jersey Climate Bonds would be subject  
5 to existing laws concerning bonding, except that the trust would, to  
6 the greatest extent practicable, be required to make the bonds  
7 available for sale to individual investors, rather than institutional  
8 investors, and in denominations suitable for such sales.

9 The Department of Environmental Protection (DEP) and the  
10 Board of Public Utilities (BPU) would be responsible for developing  
11 a priority system, ranking criteria, and funding policies for climate  
12 change mitigation and resilience projects financed under the bill. The  
13 DEP and the BPU would also be responsible for developing an annual  
14 project priority list to be submitted for approval by the State  
15 Legislature. The DEP would prioritize projects that have the largest  
16 impact on protecting human health, safety, the environment, and  
17 critical infrastructure in the State from the adverse effects of climate  
18 change; reducing the State's greenhouse gas emissions; and meeting  
19 the State's clean energy goals.

20 The financing program would be funded by a non-bypassable,  
21 irrevocable charge imposed on the customers of each electric public  
22 utility in the State. Beginning 120 days after the effective date of the  
23 bill, the charge would be \$0.0003 per kilowatt-hour sold to each  
24 customer. However, the charge would decrease over time as the State  
25 meets certain renewable energy targets established in law. The  
26 charge would phase out completely upon certification by the BPU  
27 that 100 percent of the kilowatt hours sold in the State are from Class  
28 I and Class II renewable energy sources.