

ASSEMBLY, No. 1461

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

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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 on-
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 1. 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. , c. (C.) (pending before the Legislature as this bill)
14 shall be liable personally on the bonds, notes or other obligations by reason of the
15 issuance thereof.

16 (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

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.

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