ASSEMBLY, No. 10

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED JUNE 20, 2016

Sponsored by:
Assemblyman VINCENT PRIETO
District 32 (Bergen and Hudson)
Assemblywoman VALERIE VAINIERI HUTTLE
District 37 (Bergen)
Assemblyman JOHN F. MCKEON
District 27 (Essex and Morris)
Assemblyman GARY S. SCHAER
District 36 (Bergen and Passaic)
Assemblywoman SHAVONDA E. SUMTER
District 35 (Bergen and Passaic)
Assemblyman RALPH R. CAPUTO
District 28 (Essex)
Assemblyman RAJ MUKHERJI
District 33 (Hudson)
Assemblyman TROY SINGLETON
District 7 (Burlington)
Assemblywoman ELIANA PINTOR MARIN
District 29 (Essex)

SYNOPSIS
Revises “New Jersey Transportation Trust Fund Authority Act”; establishes State Transportation Infrastructure Bank within NJ Environmental Infrastructure Trust; renames NJ Environmental Infrastructure Trust.

CURRENT VERSION OF TEXT
As introduced

(Sponsorship Updated As Of: 6/24/2016)
AN ACT concerning the financing and construction of transportation infrastructure in the State and amending various parts of the statutory law, supplementing Title 27 and 58 of the Revised Statutes, and repealing P.L.1997, c.142.

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

1. Section 3 of P.L.1984, c.73 (C.27:1B-3) is amended to read as follows:

3. The following words or terms as used in this act shall have the following meaning unless a different meaning clearly appears from the context:

[a.] "Act" means this New Jersey Transportation Trust Fund Authority Act of 1984 as amended and supplemented.

[b.] "Authority" means the New Jersey Transportation Trust Fund Authority created by section 4 of this act.

[c.] "Bonds" means bonds issued by the authority pursuant to the act and includes prior bonds and transportation program bonds. "Circle of Mobility" means an essential group of related transit projects that include (1) the New Jersey Urban Core Project, as defined in section 3031 of the "Intermodal Surface Transportation Efficiency Act of 1991," Pub.L.102-240, and consisting of the following elements: Secaucus Transfer, Kearny Connection, Waterfront Connection, Northeast Corridor Signal System, Hudson River Waterfront Transportation System, Newark-Newark International Airport-Elizabeth Transit Link, a rail connection between Penn Station Newark and Broad Street Station, Newark, New York Penn Station Concourse, and the equipment needed to operate revenue service associated with improvements made by the project, and (2) the modification and reconstruction of the West Shore Line in Bergen County connected to Allied Junction/Secaucus Transfer Meadowlands Rail Center; the construction of a rail station and associated components at the Meadowlands Sports Complex; the modification and reconstruction of the Susquehanna and Western Railway, as defined and provided in section 3035 (a) of the "Intermodal Surface Transportation Efficiency Act of 1991"; the modification and reconstruction of the Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex and Warren Counties to the North Jersey Transportation Rail Centers; and commuter rail service in the central New Jersey region terminating at the proposed Lakewood Transportation Center in Ocean County or other location, as determined by the Board of the New Jersey Transit Corporation, pursuant to a resolution of the board providing for the achievement of a consensus among the

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.
interested parties as to the direction of the proposed rail line; provided, however, that this 2000 amendatory act shall not be construed as affecting any priorities which may have been assigned to any other project in the Circle of Mobility.

[d.] “Commissioner” means the Commissioner of Transportation.

e. “Department” means the Department of Transportation.

f. "Federal aid highway" means any highway within the State in connection with which the State receives payment or reimbursement from the federal government under the terms of Title 23, United States Code or any amendment, successor, or replacement thereof, for the purposes contained in the act.

g. "Federal government” means the United States of America, and any office, department, board, commission, bureau, division, corporation, agency, or instrumentality thereof.

h. “South Jersey Transportation Authority” means the public corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or its successor.

i. “New Jersey Highway Authority” means the public corporation created by section 4 of P.L.1952, c.16 (C.27:12B-4) or its successor.

j. "New Jersey Turnpike Authority” means the public corporation created by section 3 of P.L.1948, c.454 (C.27:23-3) or its successor.

k. “Notes” means the notes issued by the authority pursuant to the act.

l. "Permitted maintenance” means, in relation to public transportation projects and transportation projects, direct costs of work necessary for preserving or maintaining the useful life of public transportation projects and transportation projects, respectively, provided the work performed is associated with the acquisition, installation, and rehabilitation of components which are not included in the normal operating maintenance of equipment and facilities or replaced on a scheduled basis. The work shall ensure the useful life of the public transportation project or transportation project for not less than five years and shall not include routine maintenance or inspection of equipment and facilities that is conducted on a scheduled basis. This definition shall not apply to the term “maintenance” as used in the definition of “public highways.” In relation to public highways, “permitted maintenance” means the direct costs of work necessary for preserving or maintaining the useful life of public highways, provided the work is not associated with the regular and routine maintenance of public highways and their components. The work shall ensure the useful life of the transportation project for not less than five years.

m. “Prior bonds” means bonds issued pursuant to the authorization contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds issued to refund such prior bonds.
"Public highways" means public roads, streets, expressways, freeways, parkways, motorways and boulevards, including bridges, tunnels, overpasses, underpasses, interchanges, rest areas, express bus roadways, bus pullouts and turnaround, park-ride facilities, traffic circles, grade separations, traffic control devices, the elimination or improvement of crossings of railroads and highways, whether at grade or not at grade, bicycle and pedestrian pathways and pedestrian and bicycle bridges traversing public highways and any facilities, equipment, property, rights of way, easements and interests therein needed for the construction, improvement, and maintenance of highways.

"Public transportation project" means, in connection with public transportation service, passenger stations, shelters and terminals, automobile parking facilities, ferries and ferry facilities, including capital projects for ferry terminals, approach roadways, pedestrian accommodations, parking, docks, and other necessary land-side improvements, ramps, track connections, signal systems, power systems, information and communication systems, roadbeds, transit lanes or rights of way, equipment storage, pedestrian walkways and bridges connecting to passenger stations and servicing facilities, bridges, grade crossings, rail cars, locomotives, motorbuses and other motor vehicles, maintenance and garage facilities, revenue handling equipment and any other equipment, facility, or property useful for or related to the provision of public transportation service.

"South Jersey Transportation Authority" means the public corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or its successor.

"State agency" means any officer, office, department, board, commission, bureau, division, agency, or instrumentality of the State.

"Toll road authorities" means and includes the New Jersey Turnpike Authority, the New Jersey Highway Authority, or its successor, and the South Jersey Transportation Authority.

"Transportation program bonds" means bonds issued pursuant to the authorization contained in P.L.2012, c.13, P.L. , c. (pending before the Legislature as this bill), and any bonds issued to refund such transportation program bonds.

"Transportation project" means, in addition to public highways and public transportation projects, any equipment, facility or property useful or related to the provision of any ground, waterborne, or air transportation for the movement of people and goods including rail freight infrastructure, which equipment, facility, or property may be acquired by purchase or lease.

"Transportation system" means public highways, public transportation projects, other transportation projects, and all other surface, airborne, and waterborne methods of transportation for the movement of people and goods.
"Permitted maintenance" means, in relation to public transportation projects, direct costs of work necessary for preserving or maintaining the useful life of public transportation projects, provided the work performed is associated with the acquisition, installation and rehabilitation of components which are not included in the normal operating maintenance of equipment and facilities or replaced on a scheduled basis. The work shall ensure the useful life of the project for not less than five years and shall not include routine maintenance or inspection of equipment and facilities that is conducted on a scheduled basis. This definition shall not apply to the term "maintenance" as used in subsection l. of this section. For purposes of this subsection, "permitted maintenance" means, in relation to public highways, the direct costs of work necessary for preserving or maintaining the useful life of public highways, provided the work is not associated with the regular and routine maintenance of public highways and their components. The work shall ensure the useful life of the project for not less than five years.

"Circle of Mobility" means an essential group of related transit projects that include (1) the New Jersey Urban Core Project, as defined in section 3031 of the "Intermodal Surface Transportation Efficiency Act of 1991," Pub.L.102-240, and consisting of the following elements: Secaucus Transfer, Kearny Connection, Waterfront Connection, Northeast Corridor Signal System, Hudson River Waterfront Transportation System, Newark-Newark International Airport-Elizabeth Transit Link, a rail connection between Penn Station Newark and Broad Street Station, Newark, New York Penn Station Concourse, and the equipment needed to operate revenue service associated with improvements made by the project, and (2) the modification and reconstruction of the West Shore Line in Bergen County connected to Allied Junction/Secaucus Transfer Meadowlands Rail Center; the construction of a rail station and associated components at the Meadowlands Sports Complex; the modification and reconstruction of the Susquehanna and Western Railway, as defined and provided in section 3035 (a) of the "Intermodal Surface Transportation Efficiency Act of 1991"; the modification and reconstruction of the Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex and Warren Counties to the North Jersey Transportation Rail Centers; and commuter rail service in the central New Jersey region terminating at the proposed Lakewood Transportation Center in Ocean County or other location, as determined by the Board of the New Jersey Transit Corporation, pursuant to a resolution of the board providing for the achievement of a consensus among the interested parties as to the direction of the proposed rail line; provided, however, that this 2000 amendatory act shall not be construed as affecting any priorities which may have been assigned to any other project in the Circle of Mobility.
t. "Prior bonds" means bonds issued pursuant to the authorization contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds issued to refund such prior bonds.

u. "Transportation program bonds" means bonds issued pursuant to the authorization contained in P.L.2012, c.13, and any bonds issued to refund such transportation program bonds.

(cf: P.L.2012, c.13, s.1)

2. Section 9 of P.L.1984, c.73 (C.27:1B-9) is amended to read as follows:

9. a. The authority shall have the power and is hereby authorized after November 15, 1984 and from time to time thereafter to issue its bonds, notes or other obligations in principal amounts as in the opinion of the authority shall be necessary to provide for any of its corporate purposes, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds, notes or other obligations issued by it, whether the bonds, notes, obligations or interest to be funded or refunded have or have not become due; and to provide for the security thereof and for the establishment or increase of reserves to secure or to pay the bonds, notes or other obligations or interest thereon and all other reserves and all costs or expenses of the authority incident to and necessary or convenient to carry out its corporate purposes and powers; and in addition to its bonds, notes and other obligations, the authority shall have the power to issue subordinated indebtedness, which shall be subordinate in lien to the lien of any or all of its bonds or notes. No resolution or other action of the authority providing for the issuance of bonds, refunding bonds, notes, or other obligations shall be adopted or otherwise made effective by the authority without the prior approval in writing of the Governor and the State Treasurer.

b. Except as may be otherwise expressly provided in the act or by the authority:

(1) Every issue of bonds or notes shall be general obligations payable out of any revenues or funds of the authority, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues or funds. The authority may provide the security and payment provisions for its bonds or notes as it may determine, including (without limiting the generality of the foregoing) bonds or notes as to which the principal and interest are payable from and secured by all or any portion of the revenues of and payments to the authority, and other moneys or funds as the authority shall determine, provided that for transportation program bonds or notes issued in anticipation of such transportation program bonds, only revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," may be used for such payment;
(2) In addition, the authority may issue notes, in anticipation of the issuance of the bonds, provided that the issuance of such notes shall be subject to the bonding limitations as provided in subsection i. of this section, and the payment of such notes if issued in anticipation of the issuance of transportation program bonds shall be paid solely from revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds."

The authority may also issue notes in anticipation of the receipt of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems, the principal of or interest on which, or both, shall be payable out of the proceeds of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems. Such notes shall not be subject to the bonding limitations as provided in subsection i. of this section; and

(3) The authority may also enter into bank loan agreements, lines of credit and other security agreements as authorized pursuant to subsection h. of section 6 of P.L.1984, c.73 (C.27:1B-6) and obtain for or on its behalf letters of credit in each case for the purpose of securing its bonds, notes or other obligations or to provide direct payment of any costs which the authority is authorized to pay by this act and to secure repayment of any borrowings under the loan agreement, line of credit, letter of credit or other security agreement by its bonds, notes or other obligations or the proceeds thereof or by any or all of the revenues of and payments to the authority or by any appropriation, grant or reimbursement to be received by the authority and other moneys or funds as the authority shall determine, provided that for any such agreements entered into in connection with transportation program bonds issued pursuant to the authorization contained in subsection i. of this section, or notes issued in anticipation of such transportation program bonds, only revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," may be used for such payment.

c. Whether or not the bonds and notes are of the form and character as to be negotiable instruments under the terms of Title 12A, Commercial Transactions, New Jersey Statutes, the bonds and notes are hereby made negotiable instruments within the meaning of and for all the purposes of Title 12A of the New Jersey Statutes.

d. Bonds or notes of the authority shall be authorized by a resolution or resolutions of the authority and may be issued in one or more series and shall bear the date, or dates, mature at the time
or times, bear interest at the rate or rates of interest per annum, be
in the denomination or denominations, be in the form, carry the
conversion or registration privileges, have the rank or priority, be
executed in the manner, be payable from the sources, in the medium
of payment, at the place or places within or without the State, and
be subject to the terms of redemption (with or without premium) as
the resolution or resolutions may provide. Bonds or notes may be
further secured by a trust indenture between the authority and a
corporate trustee within or without the State. All other obligations
of the authority shall be authorized by resolution containing terms
and conditions as the authority shall determine.

e. Bonds, notes or other obligations of the authority may be
sold at public or private sale at a price or prices and in a manner as
the authority shall determine, either on a negotiated or on a
competitive basis. Every bond, or refunding bond, issued on or
after the effective date of P.L.2006, c.3 (C.27:1B-22.2 et al.) shall
mature and be paid no later than 31 years from the date of the
issuance of that bond or refunding bond.

f. Bonds or notes may be issued and other obligations incurred
under the provisions of the act without obtaining the consent of any
department, division, commission, board, bureau or agency of the
State, other than the approval as required by subsection a. of this
section, and without any other proceedings or the happening of any
other conditions or other things than those proceedings, conditions
or things which are specifically required by the act.

g. Bonds, notes and other obligations of the authority issued or
incurred under the provisions of the act shall not be in any way a
debt or liability of the State or of any political subdivision thereof
other than the authority and shall not create or constitute any
indebtedness, liability or obligation of the State or of any political
subdivision or be or constitute a pledge of the faith and credit of the
State or of any political subdivision, but all bonds, notes and
obligations, unless funded or refunded by bonds, notes or other
obligations of the authority, shall be payable solely from revenues
or funds pledged or available for their payment as authorized in the
act. Each bond, note or other obligation shall contain on its face a
statement to the effect that the authority is obligated to pay the
principal thereof or the interest thereon only from revenues or funds
of the authority, and for transportation program bonds and
agreements securing such transportation program bonds only from
revenues dedicated pursuant to the New Jersey Constitution,
including Article VIII, Section II, paragraph 4, and deposited into
the "Transportation Trust Fund Account - Subaccount for Debt
Service for Transportation Program Bonds," and that neither the
State nor any political subdivision thereof is obligated to pay the
principal or interest and that neither the faith and credit nor the
taxing power of the State or any political subdivision thereof is
pledged to the payment of the principal of or the interest on the
bonds, notes or other obligations. For the purposes of this subsection, political subdivision does not include the authority.

h. All expenses incurred in carrying out the provisions of the act shall be payable solely from the revenues or funds provided or to be provided under or pursuant to the provisions of the act and nothing in the act shall be construed to authorize the authority to incur any indebtedness or liability on behalf of or payable by the State or any political subdivision thereof.

i. The authority shall minimize debt incurrence by first relying on appropriations and other revenues available to the authority before incurring debt secured by State revenues to meet its statutory purposes. Commencing with the fiscal year beginning July 1, 1995 and ending within the fiscal year beginning July 1, 2005, the authority shall not incur debt in any fiscal year in excess of $650,000,000, except that if that permitted amount of debt, or any portion thereof, is not incurred in a fiscal year it may be incurred in a subsequent fiscal year. Commencing with the fiscal year beginning July 1, 2006 and ending with the fiscal year beginning on July 1, 2010, the authority shall not incur debt for any fiscal year in excess of $1,600,000,000, reduced in each of those fiscal years by the amount by which the appropriation of State funds to the Transportation Trust Fund Account for that fiscal year shall exceed $895,000,000; provided, however, that if a portion of that permitted amount of debt, less any reduction as provided above, is not incurred in a fiscal year, an amount not greater than the unused portion may be incurred in a subsequent fiscal year in addition to the amount otherwise permitted. Debt permitted for the fiscal year beginning July 1, 2006 may be incurred prior to July 1, 2006. The authority shall not issue transportation program bonds in excess of $1,247,000,000 for the fiscal year beginning July 1, 2012, in excess of $849,200,000 for the fiscal year beginning July 1, 2013, in excess of $735,300,000 for the fiscal year beginning July 1, 2014, and in excess of $626,800,000 for the fiscal year beginning July 1, 2015, except that (1) if that permitted amount of transportation program bonds, or any portion thereof, is not incurred in a fiscal year, it may be issued in a subsequent fiscal year and (2) 30 percent of the permitted amount of transportation program bonds for a fiscal year may be issued in the fiscal year preceding such fiscal year provided that (a) any transportation program bonds issued pursuant to this paragraph shall be deducted from the authorization for the fiscal year from which it was taken, and (b) the proceeds of any such transportation program bonds shall not be encumbered until the fiscal year from which the deduction of the authorization was taken pursuant to this paragraph. Transportation program bonds authorized to be issued for the fiscal year beginning July 1, 2012 may be issued prior to July 1, 2012. Commencing on the day that Assembly Concurrent Resolution No.1 of 2015, a constitutional amendment to Article VIII, section II, paragraph 4 of the New
Jersey Constitution, takes effect, and ending June 30, 2026, the
authority shall not issue transportation program bonds in excess of
$15,000,000,000. Any increase in this limitation shall only occur if
so provided for by law. In computing the foregoing limitation as to
the amount of bonds the authority may issue, the authority may
exclude any bonds, notes or other obligations, including
subordinated obligations of the authority, issued for refunding
purposes; except that, any premiums received in connection with
the issuance of transportation program bonds shall count against
any limitation as to the amount of transportation program bonds the
authority may issue. The payment of debt service on transportation
program bonds and any agreements issued in connection with such
transportation program bonds shall be paid solely from revenues
dedicated pursuant to the New Jersey Constitution, including
Article VIII, Section II, paragraph 4, and deposited into the
"Transportation Trust Fund Account - Subaccount for Debt Service
for Transportation Program Bonds."

j. Upon the decision by the authority to issue refunding bonds
pursuant to this section, and prior to the sale of those bonds, the
authority shall transmit to the Joint Budget Oversight Committee, or
its successor, a report that a decision has been made, reciting the
basis on which the decision was made, including an estimate of the
debt service savings to be achieved and the calculations upon which
the authority relied when making the decision to issue refunding
bonds. The report shall also disclose the intent of the authority to
issue and sell the refunding bonds at public or private sale and the
reasons therefor.

k. The Joint Budget Oversight Committee, or its successor,
shall have authority to approve or disapprove the sale of refunding
bonds as included in each report submitted in accordance with
subsection j. of this section. The committee shall approve or
disapprove the sale of refunding bonds within 10 business days
after physical receipt of the report. The committee shall notify the
authority in writing of the approval or disapproval as expeditiously
as possible.

l. No refunding bonds shall be issued unless the report has
been submitted to and approved by the Joint Budget Oversight
Committee, or its successor, as set forth in subsection k. of this
section.

m. Within 30 days after the sale of the refunding bonds, the
authority shall notify the Joint Budget Oversight Committee, or its
successor, of the result of that sale, including the prices and terms,
conditions and regulations concerning the refunding bonds, and the
actual amount of debt service savings to be realized as a result of
the sale of refunding bonds.

n. The Joint Budget Oversight Committee, or its successor,
shall, however, review all information and reports submitted in
accordance with this section and may, on its own initiative, make
observations and recommendations to the authority or to the Legislature, or both, as it deems appropriate.

o. No refunding bonds shall be issued unless the authority shall first determine that the present value of the aggregate principal of and interest on the refunding bonds is less than the present value of the aggregate principal of and interest on the outstanding bonds to be refinanced, except that, for the purposes of this limitation, present value shall be computed using a discount rate equal to the yield of those refunding bonds, and yield shall be computed using an actuarial method based upon a 360-day year with semiannual compounding and upon the prices paid to the authority by the initial purchasers of those refunding bonds. (cf: P.L.2012, c.13, s.3)

3. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to read as follows:

20. There is hereby established in the General Fund an account entitled “Transportation Trust Fund Account,” which shall consist of three subaccounts entitled: “Transportation Trust Fund Account - Subaccount for Debt Service for Prior Bonds,” “Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds,” and “Transportation Trust Fund Account - Subaccount for Capital Reserves.” During the fiscal year beginning July 1, 1984 and during each succeeding fiscal year in which the authority has bonds, notes or other obligations outstanding, the treasurer shall credit to the “Transportation Trust Fund Account - Subaccount for Debt Service for Prior Bonds” a portion of the revenues derived from the following, as determined by the treasurer, and to the “Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds” and “Transportation Trust Fund Account - Subaccount for Capital Reserves” only revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, which are also derived under subsection a. of this section and from the petroleum products gross receipts and sales tax as set forth in subsection d. of this section:

a. An amount equivalent to all revenue derived from the collection of the tax imposed on the sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised Statutes, as provided in Article VIII, Section II, paragraph 4 of the State Constitution, provided, however, such amount during any fiscal year shall not be less than $483,000,000;

b. (Deleted by amendment, P.L.2000, c.73). c. An amount equivalent to moneys received by the State in accordance with contracts entered into with toll road authorities or other State agencies, provided that effective with the fiscal year beginning July 1, 1988 the amount so credited shall not be less than $24,500,000.00 in any fiscal year.
The treasurer shall also credit to the "Transportation Trust Fund Account - Subaccount for Debt Service for Prior Bonds," in accordance with a contract between the treasurer and the authority, an amount equivalent to the sum of the revenues due from the increase of fees for motor vehicle registrations collected pursuant to the amendment to R.S.39:3-20 made by section 32 of P.L.1984, c.73 and from the increase in the tax on diesel fuels imposed pursuant to the amendment to R.S.54:39-27 made by section 35 of P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-103), provided that the total amount credited during the fiscal year beginning July 1, 1984 shall not be less than [$20,000,000.00] $20,000,000 and that the total amount credited during the fiscal year beginning July 1, 1985 and during every fiscal year thereafter shall not be less than [$30,000,000.00] $30,000,000.

In addition to the amounts credited to the account by this section, commencing with the fiscal year beginning July 1, 1995 and every fiscal year thereafter, there shall be appropriated from the General Fund such additional amounts as are necessary to carry out the provisions of this act and beginning July 1, 2000 the fees collected pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-63) shall be credited to the account for the purposes of this act, provided, however, the amount credited from such fees during any fiscal year shall not be less than $60,000,000.

d. In addition to the amount credited in subsection a. of this section [1], beginning January 1 following approval by the voters an amount equivalent to the revenue derived from the tax imposed on the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.), provided, however, such amount shall not be less than $100,000,000 in the period January 1 through June 30 following approval by the voters and shall not be less than $200,000,000 in any fiscal year through the fiscal year commencing July 1, 2015; and in the fiscal year commencing July 1, 2016, an amount equivalent to all revenue derived from the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in each year thereafter and for the fiscal year commencing July 1, 2001 and for each fiscal year thereafter an amount equivalent to the revenue derived from the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor vehicles, provided, however, that such amount shall not be less than $200,000,000 for the fiscal year commencing July 1, 2003 and for each fiscal year thereafter, as provided in Article VIII, Section II, paragraph 4 of the State Constitution.

No later than the fifth business day of the month following the month in which a credit has been made, the treasurer shall pay to the authority, for its purposes as provided herein, the amounts then credited to the "Transportation Trust Fund Account - Subaccount
for Debt Service for Prior Bonds,” [and] “Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds,” and “Transportation Trust Fund Account - Subaccount for Capital Reserves,” provided that the payments to the authority shall be subject to and dependent upon appropriations being made from time to time by the Legislature of the amounts thereof for the purposes of the act, and further provided that the revenues deposited into the “Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds” and “Transportation Trust Fund Account - Subaccount for Capital Reserves” shall consist solely of revenues which are dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and subsections a. and d. of this section.

Commencing with the fiscal year beginning July 1, 2018 through the fiscal year commencing July 1, 2025, of the amounts credited from the tax imposed on the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) pursuant to this subsection, any amount of revenue collected per year that exceeds the amount collected in the fiscal year beginning July 1, 2017, shall only be appropriated for: (1) expanding the State’s mass transit system; or (2) making payments on authority debt, and further provided that an appropriation made pursuant to paragraph (1) shall be in addition to the appropriations already provided for in the State’s appropriation for mass transit.

In the event that the amount of appropriations and other revenues made available to the authority are greater than the amount of appropriations and other revenues needed to meet the statutory purposes of the authority in a fiscal year, any of those additional amounts, which are dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and subsections a. and d. of this section, may be deposited into the “Transportation Trust Fund Account - Subaccount for Capital Reserves.” Monies deposited in the “Transportation Trust Fund Account - Subaccount for Capital Reserves” shall be held in reserve as a means of ensuring the adequacy of funding to meet the future statutory needs of the authority, and may be transferred to the other subaccounts of the “Transportation Trust Fund Account” or to the “Special Transportation Fund” through appropriation by the Legislature for any statutory need of the authority. (cf: P.L.2012, c.13, s.5)

4. Section 21 of P.L.1984, c.73 (C.27:1B-21) is amended to read as follows:

21. a. There is hereby established a separate fund entitled "Special Transportation Fund." This fund shall be maintained by the State Treasurer and may be held in depositories as may be selected by the treasurer and invested and reinvested as other funds in the custody of the treasurer, in the manner provided by law. The
commissioner may from time to time (but not more frequently than monthly) certify to the authority an amount necessary to fund payments made, or anticipated to be made by or on behalf of the department, from appropriations established for or made to the department from revenues or other funds of the authority. The commissioner's certification shall be deemed conclusive for purposes of the act. The authority shall, within 15 days of receipt of the certificate, transfer from available funds of the authority to the treasurer for deposit in the Special Transportation Fund the amount certified by the commissioner, provided that all funds transferred shall only be expended by the department by project pursuant to appropriations made from time to time by the Legislature for the purposes of the act.

b. The department shall not expend any money except as appropriated by law. Commencing with appropriations for the fiscal years beginning on July 1, 1988, the department shall not expend any funds other than for permitted maintenance, except as are appropriated by specific projects identified by a description of the projects, the county or counties within which they are located, and amounts to be expended on each project, in the annual appropriations act. Funds expended for permitted maintenance may be appropriated as one item of appropriation and subject to allocation at the commissioner's discretion.

c. No funds appropriated, authorized, or expended pursuant to this act shall be used to finance the resurfacing of highways by department personnel, where that resurfacing would require the use of more than 100,000 tons of bituminous concrete for that purpose in any calendar year, except that the commissioner may waive this provision when [he] the commissioner determines the existence of emergency conditions requiring the use of department personnel for the resurfacing of highways, after the department has effectively reached the 100,000 ton limit.

d. In order to provide the department with flexibility in administering the specific appropriations by project identified in the annual appropriations act, the commissioner may transfer a part of any item to any other item subject to the approval of the Director of the Division of Budget and Accounting and of the Joint Budget Oversight Committee or its successor. Upon approval of the director and the committee, the transfer shall take effect.

e. Any federal funds which become available to the State for transportation projects which have not been appropriated to the department in the annual appropriations act, shall be deemed appropriated to the department and may, subject to approval by the Joint Budget Oversight Committee and the State Treasurer, be expended for any purpose for which such funds are qualified.

f. There shall be no appropriations from the revenues and other funds of the authority for regular and routine maintenance of public highways and components thereof, or operational activities of the
department unrelated to the implementation of, and indirect costs associated with, the capital program. The commissioner shall include in his annual budget request sufficient funding to effectuate the purposes of P.L.2000, c.73 (C.27:1B-21.14 et al.).

**g.** To the extent that salaries or overhead of the department or the New Jersey Transit Corporation are charged to transportation projects, each agency shall keep adequate and truthful personnel records, and time charts to adequately justify each such charge, and shall make those records available to the external auditor to the authority.

**h.** The commissioner shall annually, on or before January 1 of each fiscal year, report to the Governor and the Legislature how much money was expended in the previous fiscal year for salaries and overhead of the department and the New Jersey Transit Corporation. However, the amount expended from the revenues and other funds of the authority for salaries and overhead of the department and the New Jersey Transit Corporation for the fiscal year beginning July 1, 2006 through the fiscal year beginning July 1, 2015 shall not exceed 13 percent of the total funds appropriated from the revenues and other nonfederal funds of the authority for those fiscal years, and shall not exceed $208,000,000 for the fiscal year beginning July 1, 2016 and each fiscal year thereafter.

**i.** No revenues or other funds of the authority shall be expended for emergency response operations, the review of applications for access permits under the State highway access management code and membership fees or other fees connected with membership in TRANSCOM, the Transportation Operations Coordinating Committee.

**j.** Every project in which revenues or other funds of the authority are expended shall be included on a website created by the authority whose exclusive purpose shall be reporting on the status of State and federal projects and serving as a singular location for State and federal public documentation concerning those projects. The website shall document the status of each project, presented in tabular form outlining the budgeted amount, the amount spent and committed, and the amount necessary to complete each project. The website shall include a chart which compares the planned and actual quarterly and cumulative expenditures for each project. The website shall chronicle actions which have a bearing on the progress of projects, including, but not limited to, awards for legal, insurance, and engineering services, environmental review, public involvement and outreach, property acquisitions, and construction contracts. The website shall also include a description of any action by an external regulatory agency such as the Department of Environmental Protection, or any other party, which occurred during the reporting period that affected the cost or timely completion of any project in any manner. If information concerning
a project is not included and updated, at minimum, once per month, then no revenues or other funds of the authority may be expended upon that project.

k. There shall be a minimum appropriation from the revenues and other funds of the authority of $25,000,000 each fiscal year, commencing with the fiscal year beginning July 1, 2016 for the design, construction, reconstruction, rehabilitation, land acquisition, and environmental mitigation of freight rail projects that: are significant to port commerce connectivity; eliminate rail freight missing links to port facilities; or upgrade freight rail trackage to a 286,000 pound load carrying capacity. The amount appropriated pursuant to this subsection shall be inclusive of all amounts annually appropriated for the New Jersey Rail Freight Assistance Program. (cf: P.L.2012, c.13, s.6)

5. Section 8 of P.L.1987, c.460 (C.27:1B-21.1) is amended to read as follows:

8. a. Commencing with the [report] reports of the commissioner, which shall include the Transportation Master Plan, Statewide Capital Investment Strategy, Annual Transportation Capital Program, Transportation Trust Fund Authority Financial Plan, and Five-Year Capital Plan, as may be amended, required to be submitted pursuant to section 22 of P.L.1984, c.73 (C.27:1B-22) on or before March 1, 2006 and on each succeeding March 1 thereafter through March 1, 2015, the annual amount so reported by the commissioner for proposed projects shall not exceed $1,600,000,000 exclusive of federal funds, and beginning with the reports due March 1, 2016, and on each succeeding March thereafter through March 1, 2025, the amount so reported by the commissioner for proposed projects shall not exceed an aggregate $20,000,000,000 over that 10 year period, plus any appropriations for mass transit expansion from the additional annual amount of revenue derived from the tax imposed on the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) which is greater than the amount collected in the fiscal year beginning on July 1, 2017, and not used for making payments on authority debt.

b. For the fiscal year beginning on July 1, 2006 and for each fiscal year thereafter through the fiscal year beginning on July 1, 2011, the total annual amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984, c.73 (C.27:1B-21) shall not exceed $1,600,000,000, all amounts exclusive of federal funds. The total amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984,
c.73 (C.27:1B-21) shall not exceed: $1,247,000,000 for the fiscal year beginning on July 1, 2012; $1,224,000,000 for the fiscal year beginning on July 1, 2013; $1,225,000,000 for the fiscal year beginning on July 1, 2014; and $1,247,000,000 for the fiscal year beginning on July 1, 2015. The total amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984, c.73 (C.27:1B-21) shall not exceed an aggregate $20,000,000,000 in total for the fiscal years beginning on July 1, 2016 through the fiscal year beginning on July 1, 2025. The total amount authorized pursuant to this subsection shall be increased by any additional annual amount of revenue derived from the tax imposed on the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) which is greater than the amount collected in the fiscal year beginning on July 1, 2017, provided that the additional amount collected is appropriated for mass transit expansion and not for making payments on authority debt.

c. (Deleted by amendment, P.L.1991, c.40.)
d. (Deleted by amendment, P.L.1992, c.10).
e. The State Auditor shall provide for a unified annual audit of expenditures from the "Special Transportation Fund," established by section 21 of P.L.1984, c.73 (C.27:1B-21), in order to determine that these funds are expended for costs eligible for funding from the authority and in a manner consistent with appropriations made by the Legislature. The findings of such audits shall be transmitted to the presiding officer of each House of the Legislature, and to the Chair of the Senate Budget and Appropriations Committee, the Senate Transportation Committee, the Assembly Appropriations Committee, and the Assembly Transportation and Communications Independent Authorities Committee or their successors.

f. The State Auditor shall review bond issuances of the authority and report to the Joint Budget Oversight Committee and to the members of the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or their successors, on the status of the bonds of the authority and projects financed from the proceeds of the bonds. The report shall include the investment status of all unexpended bond proceeds and provide a description of any bond issues expected during a fiscal year, including type of issue, estimated amount of bonds to be issued and the expected month of sale.

g. Commencing with the fiscal year beginning July 1, 2018 through the fiscal year beginning July 1, 2025, if in any fiscal year, the amount of revenue collected from the tax imposed on the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) exceeds the amount collected in the fiscal year beginning on July 1, 2017, then in that subsequent fiscal year the amount of that
difference shall be appropriated by the Legislature for transportation projects that expand the mass transit system in this State or for payments on authority debt. Any amount appropriated for transportation projects that expand the mass transit system in this State shall also increase the total amount that may be appropriated pursuant to subsection b. of this section by that same amount.

(cf: P.L.2012, c.13, s.7)

6. Section 22 of P.L.1984, c.73 (C.27:1B-22) is amended to read as follows:

22. The commissioner shall prepare and submit the following reports to the Governor, the Legislature, and the Financial Transportation Policy Review Board, established pursuant to section 6 of P.L.2006, c.3 (C.27:1B-22.2) under the terms set forth below: a Transportation Master Plan, a Statewide Capital Investment Strategy, an Annual Transportation Capital Program, a Transportation Trust Fund Authority Financial Plan, and a Five-Year Capital Plan.

a. To the end that the transportation system of the State shall be planned in an orderly and efficient manner and that the Legislature shall be advised of the nature and extent of public highways, public transportation projects and other transportation projects contemplated to be financed under this act, the department shall submit a master plan, as provided in subsection (a) of section 5 of P.L.1966, c.301 (C.27:1A-5). Notwithstanding the provisions of that act, the plan shall be for a period of five years and shall be submitted to the Commission on Capital Budgeting and Planning, the Chairman of the Senate Transportation Committee and the Independent Authorities Committee, or their successors, and the Legislative Budget and Finance Officer, and the metropolitan planning organizations, on or before March 1, 2001, and at five-year intervals thereafter. The master plan shall set the direction for the department's overall Capital Investment Strategy and subsequent annual Transportation Capital Programs submitted to the Legislature for approval pursuant to this section. This master plan shall, to the extent practicable, conform to all federal requirements for Statewide transportation planning.

b. The Department of Transportation, in conjunction with the New Jersey Transit Corporation, the New Jersey Turnpike Authority, and the South Jersey Transportation Authority, shall prepare a "Statewide Capital Investment Strategy" for at least a five-year period which shall contain, at a minimum, a statement of the goals of the department, the corporation, and the toll road authorities in major selected policy areas and the means by which the goals are to be attained during that period, using quantitative measures where appropriate. The Statewide Capital Investment
Strategy may be updated and submitted no later than March 1 of each year. The Statewide Capital Investment Strategy shall provide for a multi-modal, intermodal, seamless, technologically advanced, and secure transportation system. It shall recommend investment for major program categories, set overall goals for investment in the State's infrastructure, and develop program targets and performance measures. It may rely on infrastructure management systems as developed by the department to assess bridge conditions, pavement conditions, bridge, traffic and pedestrian safety, traffic congestion and public transit facilities. With respect to pavement conditions, the department shall set as a priority the utilization of efficient cost-effective materials and treatments as stated in section 9 of P.L.2000, c.73 (C.27:1B-21.22). In the event that there exist appropriate circumstances for the use of micro-surfacing and cold-in-place recycling, the department shall establish as a special priority the use of these materials and surface treatments. The goals of the Capital Investment Strategy shall include, but not be limited to, reduction of vehicular and pedestrian accidents, reduction in the backlog of projects, including one-half of the structurally deficient bridge repair projects and pavement deficiencies, and an increase in lane miles of bicycle paths, with a goal of constructing an additional 1,000 lane miles of bicycle paths in five years to reduce traffic congestion and for recreational uses. The construction of bicycle and pedestrian lanes, paths and facilities shall be subject to no stricter environmental requirements than are provided pursuant to federal law and regulations for such lanes, paths and facilities, notwithstanding the provisions to the contrary of State law and regulations, including State Executive Order No. 215 of 1989. With respect to the New Jersey Transit Corporation, the Statewide Capital Investment Strategy shall deal with the corporation's overall goal to keep the public transportation system in a state of good repair and, more specifically, in the area of bus transportation, present a strategy and a preliminary timetable for the replacement of the current diesel bus fleet with a fleet of buses which have reduced emission of air pollutants. The corporation shall consider the feasibility of buses with improved pollution controls and that reduce particulate emissions and buses powered by fuel other than conventional diesel fuel, such as compressed natural gas vehicles, hybrid vehicles, fuel cell vehicles, biodiesel vehicles, vehicles operated on ultra low sulfur fuel, and vehicles operated on any other bus fuel approved by the United States Environmental Protection Agency, and the like. The corporation may consider as part of its strategy, cooperative efforts with bus manufacturers, and the solicitation of federal support, in developing a "clean bus" with air pollution controls superior to currently available technology. For the fiscal year beginning July 1, 2007 and each fiscal year thereafter, all buses purchased by the New Jersey Transit Corporation shall be buses with improved pollution controls and
that reduce particulate emissions, or buses powered by fuel other than conventional diesel fuel, such as compressed natural gas vehicles, hybrid vehicles, fuel cell vehicles, biodiesel vehicles, vehicles operated on ultra low sulfur fuel, or vehicles operated on any other bus fuel approved by the United States Environmental Protection Agency, and the like. In the event that the corporation is not able to meet the bus purchase requirements set forth in this section with respect to any fiscal year, prior to the commencement of the fiscal year, the board of the corporation shall, by resolution, submit a report to the Legislature detailing its inability to meet the requirements and the reasons therefor and shall submit the report to the Senate and General Assembly when both houses are in session, including therein a request to be exempted from the bus purchase requirements of this section with regard to the fiscal year in question. The President of the Senate and the Speaker of the General Assembly shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly. If a joint resolution approving the exemption is passed by the Legislature and signed by the Governor prior to the commencement of the fiscal year in question, the corporation shall be exempt from the requirements for that fiscal year.

In the fiscal year beginning on July 1, 2007 and in each fiscal year thereafter, in the year prior to the year in which final engineering is anticipated to start on any project which extends the reach of the New Jersey Transit rail or light rail system, the New Jersey Transit Corporation shall be required to identify and include in the annual Statewide Capital Investment Strategy the required State financial assistance to support operation of the incremental service for the first three years and the projected fare box recovery ratio at the commencement of the fourth year of operation of each project.

The Statewide Capital Investment Strategy shall also detail the planned investment of capital funds for public transportation projects of companies other than the New Jersey Transit Corporation engaged in the business of providing motor bus transportation. The Statewide Capital Investment Strategy shall demonstrate that such investment adequately addresses the finding in section 2 of P.L.1979, c.150 (C.27:25-2) that in the provision of public transportation services it is desirable to encourage to the maximum extent feasible the participation of private enterprise.

c. On or before March 1 of each year, the commissioner shall submit a report of general project categories and proposed projects thereunder to be financed in the ensuing fiscal year, including therewith a description of the projects, the county or counties and municipality or municipalities within which they are to be located, a distinction between State and local projects, and an identification number for each project that can be used to cross reference any project in the State’s federal Statewide Transportation Improvement Program.
Program, the project phase of work, investment category, project sponsor, governmental entity with jurisdiction over the project and associated infrastructure, the amount estimated to be expended on each project in the year of appropriation, and an estimate of the total project cost. This report shall be known as the "Annual Transportation Capital Program" for the upcoming fiscal year. It shall include proposed projects of both the Department of Transportation and the New Jersey Transit Corporation. The program shall be consistent with, and reflective of, the goals and priorities of the Capital Investment Strategy and the program shall include an explanation which demonstrates how it is consistent with, and reflective of, the goals and priorities.

d. On or before March 1 of each year, the commissioner shall also submit a "Transportation Trust Fund Authority Financial Plan" designed to implement the financing of the proposed projects. The financial plan shall contain an enumeration of the bonds, notes or other obligations of the authority which the authority intends to issue, including the amounts thereof and the conditions therefor. The financial plan shall set forth a complete operating and financial statement covering the authority's proposed operations during the ensuing fiscal year, including amounts of income from all sources, including but not limited to the proceeds of bonds, notes or other obligations to be issued, as well as interest earned. In addition, the plan shall contain proposed amounts to be appropriated and expended, as well as amounts for which the department anticipates to obligate during the ensuing fiscal year for any future expenditures.

e. The Statewide Capital Investment Strategy, the Annual Transportation Capital Program, and the Transportation Trust Fund Authority Financial Plan shall be submitted to the Senate and General Assembly. Within 45 days of the receipt thereof, the Senate or the General Assembly may object in writing to the commissioner in regard to any project or projects in the Annual Transportation Capital Program it disapproves or which it is of the opinion should be modified or added to or any additional or alternative projects considered or in regard to any element of the financial plan. The commissioner shall consider the objections and recommendations and resubmit the report within 10 days, containing therein any modifications based upon the commissioner's consideration of the objections or recommendations.

f. In order that the Legislature shall be advised of the nature and extent of public highways, public transportation projects, and other transportation projects contemplated to be financed under this act, the commissioner shall submit annually, together with the Annual Transportation Capital Program, a Five-Year Capital Plan, which shall set forth projects and programs anticipated to be funded over the five-year period. The Five-Year Capital Plan shall, to the
extent practicable, conform to all federal requirements for Statewide transportation capital programming.

(cf: P.L.2006, c.3, s.5)

7. Section 6 of P.L.2006, c.3 (C.27:1B-22.2) is amended to read as follows:

6. There is hereby created in the Executive Branch of the State Government, a body corporate and politic, with corporate succession, to be known as the Financial Transportation Policy Review Board. For the purpose of complying with the provisions of Article V, Section IV, paragraph 1 of the New Jersey Constitution, the board is hereby allocated within the Department of Transportation, but, notwithstanding that allocation, the board shall be independent of any supervision or control by the department or by any body or officer thereof. The board is hereby constituted as an instrumentality of the State exercising public and essential governmental functions, and the exercise by the board of the powers conferred by this act shall be deemed and held to be an essential governmental function of the State.

The board shall be comprised of five nine public members with experience in transportation finance and policy. The Governor shall appoint three of the members with the advice and consent of the Senate, two of whom shall be experts that perform academic research in the areas of transportation and public transportation policy, planning, or engineering, and one of whom shall be an expert in the area of transportation capital finance. The remaining members shall be appointed by the Governor as follows: one two upon the joint recommendation of the President of the Senate and one upon the recommendation of the Minority Leader of the Senate, and one two upon the joint recommendation of the Speaker of the General Assembly and one upon the recommendation of the Minority Leader of the General Assembly. Each member shall have a professional background in passenger rail service, freight rail management, transportation capital planning, transportation and public transportation capital construction, federal transportation policy, State transportation policy, or transportation capital finance. Each member shall serve for a four-year term and shall serve until the member's successor is appointed and qualified; provided, however, that in order to achieve non-concurrent terms, of the members first appointed pursuant to this section, two members appointed by the Governor shall serve for four years; while the three members appointed upon the joint recommendation recommendations of the President of the Senate and the Minority Leader of the Senate and the three members appointed upon the joint recommendation recommendations of the Speaker of the General Assembly and the Minority Leader of the General Assembly shall serve for three years.
each, and the remaining member appointed by the Governor shall serve for two years; and further provided that any member serving on the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) shall serve until the expiration of that member’s term, notwithstanding the criteria for appointment established pursuant to P.L. , c. The [Financial] Transportation Policy Review Board shall be deemed to be constituted immediately upon appointment and qualification in the manner provided in this section of at least [three] five members.

The purpose of the board is to assure fiscal discipline through evaluating the financing of transportation; independently analyzing and reporting on the cost effectiveness of spending in the transportation capital program; conducting and commissioning research on best practices in the areas of transportation and public transportation construction, planning, finance, and engineering; providing policy recommendations to the Legislature on the best ways to organize the capital program and appropriate capital program funds; and preparing an annual State of Condition of Transportation Financing certification.

The board shall annually appear before the Senate Budget and Appropriations Committee, or its successor, and the Assembly Budget Committee, or its successor, and provide independent analysis of the transportation capital program, provide comments on the cost effectiveness of the program, evaluate the condition of the State transportation system, and identify needed infrastructure investments. The board shall annually appear before the Senate Transportation Committee, or its successor, and the Assembly Transportation and Independent Authorities Committee, or its successor, and report on best practices in areas related to transportation and public transportation construction, planning, finance, infrastructure, and governance. The board shall also make itself available to the aforementioned budget and transportation committees to conduct research and provide recommendations on policy issues that those committees request of the board. The board shall issue an annual report on or before June 1 of each year which summarizes the work of the board for the prior year, evaluates the reports issued by the department pursuant to section 22 of P.L.1984, c.73 (27:1B-22), and provides independent recommendations for administering the annual capital program.

The board shall be provided with a budget each year to be funded through the capital program, and the budget shall be sufficient to allow the board to commission independent research from academic and other experts in the area of research to be conducted, to avail itself of any professional or consultant services necessary to perform its functions, and to complete the reports and certifications required pursuant to this section.

The board may call to its assistance and avail itself of the services of the employees of any State, county, or municipal
department, board, bureau, task force, or agency as it may require
and as may be available to it for its purposes, and to employ
stenographic and clerical assistance and incur traveling and other
miscellaneous expenses necessary to perform its duties, with the
limits of funds appropriated or otherwise made available to it for its
purposes.

The board shall submit reports to the Governor, and to the
Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)
o no later than April 1, 2017 concerning the:

a. taxation of motor vehicles that are powered by a fuel source
that is not subject to the motor fuels tax P.L.2010, c.22 (C.54:39-
101 et seq.) or the petroleum products gross receipts tax P.L.1990,
c.42 (C.54:15B-1 et seq.), including, but not limited to electric
vehicles and hydrogen fuel cell vehicles. The report required
pursuant to this subsection shall include recommendations to the
Legislature for a new system of taxation that mandates that all
vehicles operating on the highways of this State contribute
equitably to the cost of maintaining the State transportation system.

b. relocation of utility company facilities that are located in,
on, along, over or under an infrastructure project, and require
relocation in order to accommodate the infrastructure project. The
board shall recommend a system that allows for optimal
coordination between the Department of Transportation and utility
companies in a manner that minimizes project delays that increase
utility costs and infrastructure project costs. The board shall
investigate and report on utility relocation process best practices in
other states and the report required pursuant to this subsection shall
include a proposal for legislation amending or replacing P.L.1983,
c.283 (C.27:7-44.9).

The State of Condition of Transportation Financing certification
shall ensure that the financing and expenditures of the New Jersey
Transportation Trust Fund Authority (the "authority") adhere to
certain standards. The standards are: a. The bonding limitation as
provided in subsection i. of section 9 of P.L.1984, c.73 (C.27:1B-9).
b. For the fiscal year commencing July 1, 2007, the amount
expended from the revenues and other funds of the authority for
permitted maintenance shall not exceed the amount expended for
permitted maintenance in the fiscal year commencing July 1, 2006.
c. The total amount authorized to be appropriated from the revenues
and other funds of the authority for project costs commencing with
the fiscal year beginning July 1, 2007 through the fiscal year
beginning July 1, 2015 shall not exceed $1,600,000,000 annually,
and for the fiscal year beginning on July 1, 2016 through the fiscal
year beginning on July 1, 2025 shall not exceed an aggregate
$20,000,000,000 over that 10 year period, plus any additional
annual amount of revenue derived from the tax imposed on the sale
of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et
seq.) which is greater than the amount collected in the fiscal year
beginning on July 1, 2017, and not used for making payments on authority debt.

Commencing with the fiscal year beginning July 1, 2007, the board shall submit to the Governor, the Legislature, and the commissioner on an annual basis the State of Condition of Transportation Financing certification as to the requirements of [subsection a. of this section] certification standard a, referencing therein a certification with regard to [subsections b. and c. of this section] certification standards b. and c. to the extent feasible, given the other provisions of this section. The certifications shall be based on the board's review of the State's fiscal year final expenditures from the preceding fiscal year, including bonding and expenditures from the annual independent audit of the authority, and the amount of authority funds programmed for permitted maintenance. If the capital program and its financing are found to be in compliance, the first annual certification required by this paragraph shall be submitted by February 1, 2008, after the certification is concurred with by the members of the authority, and by February 1 of each year thereafter. The board shall advise the commissioner and the authority on February 1, 2008 and on each succeeding February 1, if the board finds that the authority is not in compliance with the bonding requirements as provided in subsection a. of the section, and that a corrective action plan is needed. The authority shall submit a corrective action plan that would reduce its future bond sales to offset the amount of excess bonding or to reduce future debt service payments, or both, as the case may be. Upon approval of the corrective action plan by the board, the certification shall be issued with certain conditions. The Annual Transportation Capital Program submitted to the Legislature for the forthcoming year shall be in compliance with the provisions of the corrective action plan. If the board does not approve the corrective action plan, the authority shall submit a financial plan showing bonding only for existing projects, noting that no bonds shall be issued for new projects shown in the department's Annual Transportation Capital Program. The board shall advise the commissioner on February 1, 2008 and on each succeeding February 1, if the board finds that the Department of Transportation has exceeded the limitation for the amount of authority funds spent on permitted maintenance pursuant to [subsection] certification standard b. of this section, or for the amount authorized to be appropriated for project costs pursuant to [subsection] certification standard c. of this section and that a corrective action plan is needed. The department shall submit a corrective action plan that would offset the excess amount spent, or the excess amount appropriated, in the prior year with less funding for permitted maintenance or for projects, as the case may be, in the proposed capital budget request. Upon approval of the corrective action plan by the board, a certification as to these matters shall be issued with
certain conditions. The Annual Transportation Capital Program submitted to the Legislature for the forthcoming year shall be in compliance with the provisions of the corrective action plan. If the board does not approve the corrective action plan, the authority shall submit a financial plan showing bonding only for existing projects, noting that no bonds shall be issued for new projects shown in the department's Annual Transportation Capital Program. (cf: P.L.2006, c.3, s.6)

8. (New section) a. There is hereby established in but not of the Department of Transportation, a body corporate and politic, with corporate succession, to be known as the Annual Transportation Capital Program Approval Committee. For the purpose of complying with the provisions of Article V, Section IV, paragraph 1 of the New Jersey Constitution, the committee is hereby allocated within the Department of Transportation, but, notwithstanding that allocation, the committee shall be independent of any supervision or control by the department or by any body or officer thereof. The committee is hereby constituted as an instrumentality of the State exercising public and essential governmental functions, and the exercise by the committee of the powers conferred by P.L. (pending before the Legislature as this bill) shall be deemed and held to be an essential governmental function of the State.

b. (1) The committee shall be comprised of four members. One member shall be the Commissioner of Transportation, or the commissioner’s designee, who shall serve ex- officio, and the remaining three members shall be public members, each of whom is to be appointed by the Governor upon the joint recommendation of the President of the Senate and Speaker of the General Assembly; one of whom shall be a resident of Salem, Cumberland, Cape May, Atlantic, Gloucester, Camden, Burlington, or Ocean county; one of whom shall be a resident of Monmouth, Mercer, Middlesex, Hunterdon, Somerset, or Union county; and one of whom shall be a resident of Warren, Sussex, Essex, Passaic, Morris, Hudson, or Bergen county. Each public member shall serve a term of three years, which shall run from August 1, of the year of appointment until July 31 of the third year following appointment. The Annual Transportation Capital Program Approval Committee shall be deemed to be constituted immediately upon appointment and qualification in the manner provided in this section of the three public members.

(2) The purpose of the committee is to ensure that Legislative input is provided in the process of selecting the transportation capital projects to be funded annually through the Transportation Trust Fund Account pursuant to P.L.1984, c.73 (C.27:1B-20), and to prepare an Annual Transportation Capital Program Approval Certification.
Commencing with the fiscal year beginning July 1, 2017, the board shall submit to the Governor and the Legislature on an annual basis the Annual Transportation Capital Program Approval Certification referencing therein a certification attested to by all members of the committee that for the proposed projects of both the Department of Transportation and the New Jersey Transit Corporation included in the Annual Transportation Capital Program, required pursuant to section 22 of P.L.1984, c.73 (27:1B-22) and the list of projects proposed by the department for inclusion in the State budget to be appropriated from the revenues and other funds of the New Jersey Transportation Trust Fund Authority: (a) the projects were developed with input from each member of the committee; (b) that every member of the committee has been granted access to all available information of the department concerning each project; and that (c) each member of the committee approves the inclusion of each project in the Annual Transportation Capital Program and recommends that the project be included in the list of projects to be appropriated from the revenues and other funds of the New Jersey Transportation Trust Fund Authority in the Annual Appropriations Act. The first annual certification required by this subsection shall be submitted to the Governor and the Legislature by March 1, 2017, after the certification has been approved by every member of the committee, and by March 1 of each year thereafter. The committee shall advise the authority on July 1, 2017 and on each succeeding July 1, if members of the committee have failed to unanimously approve the Annual Transportation Capital Program Approval Certification. If no Annual Transportation Capital Program Approval Certification has been approved for a fiscal year, the Legislature shall not make any appropriation from the revenues and other funds of the authority for the financing of transportation projects in that fiscal year until the certification has been unanimously approved. Prior to approval of the certification, appropriations shall only be made for existing projects and for debt service on authority bonds.

9. Section 25 of P.L.1984, c.73 (C.27:1B-25) is amended to read as follows:

25. a. Notwithstanding the provisions of subtitle 4 of Title 27 of the Revised Statutes and P.L.1946, c.301 (C.27:15A-1 et seq.), the commissioner may, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate to counties and municipalities funds for the planning, acquisition, engineering, construction, reconstruction, repair, resurfacing and rehabilitation of public highways and the planning, acquisition, engineering, construction, reconstruction, repair, maintenance and rehabilitation of public transportation projects and of other transportation projects which a county or municipality may be authorized by law to undertake.
b. The commissioner shall, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate at his discretion State aid to counties and municipalities for transportation projects, except that the amount to be appropriated for this program shall be seven percent of the total amount appropriated for the total county and municipal aid programs pursuant to subsection d. of this section. This State aid shall be set aside prior to any formula allocations provided for in subsections c., d., e., f., and g. of this section, and shall be known as the “Local Aid Infrastructure Fund.” In the fiscal year commencing July 1, 2016, any amount appropriated to the Local Aid Infrastructure Fund above $7,500,000 shall be deposited into the State Transportation Infrastructure Bank Fund, established pursuant to section 39 of P.L. , c. (C. ) (pending before the Legislature as this bill).

c. The commissioner shall, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law and pursuant to the provisions of subsections b. and d. of this section, allocate State aid to municipalities for public highways under their jurisdiction. The amount to be appropriated shall be allocated on the basis of the following distribution factor:

$$DF = \frac{Pc}{Ps} + \frac{Cm}{Sm}$$

where, DF equals the distribution factor
Pc equals county population
Ps equals State population
Cm equals municipal road mileage within the county
Sm equals municipal road mileage within the State.

After the amount of aid has been allocated based on the above formula, the commissioner shall determine priority for the funding of municipal projects within each county, based upon criteria relating to volume of traffic, safety considerations, growth potential, readiness to obligate funds, and local taxing capacity. In addition to the above criteria used in determining priority of funding of municipal projects in each county, the commissioner shall consider whether a project is intended to remedy hazardous conditions as identified for the purposes of providing transportation pursuant to N.J.S.18A:39-1.2 for school pupils or to improve pedestrian safety.

For the purposes of this subsection, (1) "population" means the official population count as reported by the New Jersey Department of Labor and Workforce Development; and (2) "municipal road mileage" means that road mileage under the jurisdiction of municipalities, as determined by the department.

d. There shall be appropriated at least $175,000,000 for the each fiscal year commencing July 1, 2006 through the fiscal year commencing July 1, 2015, and $400,000,000 for each fiscal year
commencing July 1, 2016 and for each fiscal year thereafter, for the
purposes provided herein and in subsections b., c., f., and
g. of this section. (1) Of that appropriation, the commissioner shall
allocate $5,000,000.00 37.5 percent of the total appropriation as
State aid for municipalities pursuant to the provisions of subsection
c. of this section, provided that $5,000,000 for each fiscal year
commencing July 1, 2006 through the fiscal year commencing July
1, 2015, and $10,000,000 for each fiscal year commencing July 1,
2016 and for each fiscal year thereafter of the amount allocated as
State aid for municipalities shall be set aside and sub-allocated as
State aid to any municipality qualifying for aid pursuant to the
commissioner shall allocate the aid to each municipality in the same
proportion that the municipality receives aid under P.L.1978, c.14
(C.52:27D-178 et seq.). (2) [The remaining amount of the
appropriation shall be allocated pursuant to the provisions of
subsection c. of this section.] The commissioner shall allocate 37.5
percent of the total appropriation pursuant to the provisions of
subsection e. of this section for the Local County Aid Program. (3)
The commissioner shall allocate seven percent of the total
appropriation pursuant to the provisions of subsection b. of this
section for the “Local Aid Infrastructure Fund.” (4) The
commissioner shall allocate seven percent of the appropriation
pursuant to the provisions of subsection f. of this section for the
“Local Freight Impact Fund.” (5) The remaining 11 percent of the
appropriation shall be allocated pursuant to the provisions of
subsection g. of this section for the “Local Bridges Fund.”
e. The commissioner may, pursuant to appropriations or
authorizations being made from time to time by the Legislature
according to law, allocate additional funding to the Local County
Aid Program for public highway projects, in accordance with a
formula similar to that provided for in subsection c. of this section,
except that Cm equals road mileage under county jurisdiction and
Sm equals total county road mileage within the State.
f. The commissioner shall, pursuant to appropriations or
authorizations being made from time to time by the Legislature
according to law, allocate at the commissioner’s discretion, State
aid to counties and municipalities for transportation projects that
address the impacts of freight travel in local communities and on
local transportation infrastructure, except that the amount to be
appropriated for this program shall be seven percent of the total
amount appropriated pursuant to subsection d. of this section. This
State aid shall be set aside prior to any formula allocations provided
for in subsections c., d., e., and g. of this section, and shall be
known as the “Local Freight Impact Fund.”
g. The commissioner shall, pursuant to appropriations or
authorizations being made from time to time by the Legislature
according to law, allocate at the commissioner’s discretion, State
aid to counties and municipalities for transportation projects that
address the condition of bridges under the jurisdiction of counties
with an emphasis on repair and reconstruction of those with the
greatest structural deficiencies, except that the amount to be
appropriated for this program shall be 11 percent of the total
amount appropriated pursuant to subsection d. of this section. This
State aid shall be set aside prior to any formula allocations provided
for in subsections c., d., e., and f. of this section, and shall be
known as the “Local Bridges Fund.”
(cf: P.L.2012, c.13, s.9)

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

1. This act shall be known and may be cited as the “New Jersey
[Environmental] Infrastructure Trust Act.”
(cf: P.L.1997, c.224, s.2)

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

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

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

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

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

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

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

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

(cf: P.L.1997, c.224, s.3)

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

3. As used in sections 1 through 27 of P.L.1985, c.334 (C.58:11B-1 through C.58:11B-27) [and], sections 23 through 27 of P.L.1997, c.224 (C.58:11B-10.1 et al.), and sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill):

"Bonds" means bonds issued by the trust pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.):
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"Combined sewer system" means a sewer system designed to carry sanitary wastewater at all times, which is also designed to collect and transport stormwater runoff from streets and other sources, thereby serving a combined purpose;

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

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

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

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

"Department" means the Department of Environmental Protection;

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

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

"Local government unit" means (1) a State authority, county, municipality, municipal, county or regional sewerage or utility authority, municipal sewerage district, joint meeting, improvement authority, or any other political subdivision of the State authorized to construct, operate, and maintain wastewater treatment systems; [or] (2) a State authority, district water supply commission, county, municipality, municipal, county or regional utilities authority, municipal water district, joint meeting, or any other political subdivision of the State authorized pursuant to law to operate or maintain a public water supply system or to construct, rehabilitate, operate, or maintain water supply facilities or otherwise provide water for human consumption; or (3) a county, municipality, municipal, county or regional transportation authority, or any other political subdivision of the State authorized to construct, operate,
and maintain public highways or transportation projects as defined pursuant to this section;

"Notes" means notes issued by the trust pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. )

(pending before the Legislature as this bill);

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

"Onsite wastewater treatment and disposal system" means an onsite system designed to treat and dispose of domestic sewage;

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

"Project" or "environmental infrastructure project" means the acquisition, construction, improvement, repair or reconstruction of all or part of any structure, facility or equipment, or real or personal property necessary for or ancillary to any; (1) wastewater treatment system project, including any stormwater management or combined sewer overflow abatement projects; (2) water supply project, as authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water resources project, as authorized pursuant to P.L.2003, c.162 or (3) transportation project authorized pursuant to sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill);

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

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

"Small water company" means any company, purveyor or entity, other than a governmental agency, that provides water for human
consumption and which regularly serves less than 1,000 customer
connections, including nonprofit, noncommunity water systems
owned or operated by a nonprofit group or organization;
"Stormwater management system" means any equipment, plants,
structures, machinery, apparatus, management practices, or land, or
any combination thereof, acquired, used, constructed, implemented
or operated to prevent nonpoint source pollution, abate improper
cross-connections and interconnections between stormwater and
sewer systems, minimize stormwater runoff, reduce soil erosion, or
induce groundwater recharge, or any combination thereof;
“Transportation project” means capital projects for public
highways, approach roadways and other necessary land-side
improvements, ramps, signal systems, roadbeds, transit lanes or
rights of way, pedestrian walkways and bridges connecting to
passenger stations and servicing facilities, bridges, and grade
crossings;
"Trust" means the New Jersey [Environmental] Infrastructure
[Trust] Bank created pursuant to section 4 of P.L.1985, c.334
(C.58:11B-4);
"Wastewater" means residential, commercial, industrial, or
agricultural liquid waste, sewage, septage, stormwater runoff, or
any combination thereof, or other liquid residue discharged or
collected into a sewer system or stormwater management system, or
any combination thereof;
"Wastewater treatment system” means any equipment, plants,
structures, machinery, apparatus, or land, or any combination
thereof, acquired, used, constructed or operated by, or on behalf of,
a local government unit for the storage, collection, reduction,
recycling, reclamation, disposal, separation, or other treatment of
wastewater or sewage sludge, or for the collection or treatment, or
both, of stormwater runoff and wastewater, or for the final disposal
of residues resulting from the treatment of wastewater, including,
but not limited to, pumping and ventilating stations, treatment
plants and works, connections, outfall sewers, interceptors, trunk
lines, stormwater management systems, and other personal property
and appurtenances necessary for their use or operation; "wastewater
treatment system” shall include a stormwater management system
or a combined sewer system;
"Wastewater treatment system project” means any work relating
to the acquisition, construction, improvement, repair or
reconstruction of all or part of any structure, facility or equipment,
or real or personal property necessary for or ancillary to any
wastewater treatment system that meets the requirements set forth
in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,
C.58:11B-21, and C.58:11B-22); or any work relating to any of the
stormwater management or combined sewer overflow abatement
projects identified in the stormwater management and combined
sewer overflow abatement project priority list adopted by the
commissioner pursuant to section 28 of P.L.1989, c.181; or any work relating to the purposes set forth in section 6 of P.L.2003, c.162; or any work relating to any other project eligible for financing under the “Federal Water Pollution Control Act Amendments of 1972” (33 U.S.C. s.1251 et seq.), or any amendatory or supplementary acts thereto;

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

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

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

(cf: P.L.2009, c.103, s.1)

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

4. a. There is established in, but not of, the Department of [Environmental Protection] the Treasury a body corporate and politic, with corporate succession, to be known as the "New Jersey [Environmental] Infrastructure [Trust] Bank." The trust is
constituted as an instrumentality of the State exercising public and essential governmental functions, no part of whose revenues shall accrue to the benefit of any individual, and the exercise by the trust of the powers conferred by the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (pending before the Legislature as this bill), shall be deemed and held to be an essential governmental function of the State.

b. The trust shall consist of a seven-member board of directors composed of the State Treasurer, the Commissioner of the Department of Community Affairs, the Commissioner of the Department of Transportation, and the Commissioner of the Department of Environmental Protection, who shall be members ex officio; one person appointed by the Governor upon the recommendation of the President of the Senate, and one person appointed by the Governor upon the recommendation of the Speaker of the General Assembly, who shall serve during the two-year legislative term in which they are appointed; and two residents of the State appointed by the Governor with the advice and consent of the Senate, who shall serve for terms of four years, except that the first two appointed shall serve terms of two and three years respectively. Each appointed director shall serve until that director's successor has been appointed and qualified. A director is eligible for reappointment. Any vacancy shall be filled in the same manner as the original appointment, but for the unexpired term only.

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

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

d. The Governor shall designate one of the appointed members to be the [chairman] chairperson and chief executive officer of the trust and the directors shall biannually elect a [vice-chairman] vice-chairperson from among the appointed directors. The [chairman] chairperson shall serve as such for a term of two years and until a successor has been designated. A [chairman] chairperson shall be eligible [to succeed himself] for one additional two-year term as chairperson. The directors shall elect a secretary and treasurer, who need not be directors, and the same person may be elected to serve as both secretary and treasurer.

The powers of the trust are vested in the directors in office from time to time and [four] six directors shall constitute a quorum at any meeting. Action may be taken and motions and resolutions adopted by the trust by the affirmative majority vote of those directors present, but in no event shall any action be taken or motions or resolutions adopted without the affirmative vote of at least [four members] six directors. No vacancy on the board of directors of the trust shall impair the right of a quorum of the directors to exercise the powers and perform the duties of the trust.

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

f. The directors of the trust shall serve without compensation, but the trust shall reimburse the directors for actual and necessary expenses incurred in the performance of their duties. Notwithstanding the provisions of any other law to the contrary, no officer or employee of the State shall be deemed to have forfeited or shall forfeit [his] the officer’s or employee’s office or employment or any benefits or emoluments thereof by reason of [his] the officer’s or employee’s acceptance of the office of ex officio director of the trust or [his] the ex officio director’s services thereon.

g. Each ex officio director may designate an officer of [his] the ex officio director’s department to represent [him] the ex officio director at meetings of the trust. Each designee may lawfully vote and otherwise act on behalf of the director for whom [he] the person constitutes the designee. The designation shall be delivered
in writing to the trust and shall continue in effect until revoked or amended in writing and delivered to the trust.

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

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

If, in the 10-day period, the Governor returns the copy of the minutes with a veto of any action taken by the trust or any member thereof at that meeting, the action shall be of no effect. The Senate or General Assembly shall have the right to provide written comments concerning the minutes to the Governor within the 10-day period, which comments shall be returned to the trust by the Governor with [his] the Governor’s approval or veto of the minutes.

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

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

(cf: P.L.1997, c.224, s.5)

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

5. Except as otherwise limited by the provisions of P.L.1985, c.334 (C.58:11B-1 et seq. or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), the trust may:

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

b. Adopt an official seal and alter it;

c. Sue and be sued;

d. Make and enter into all contracts, leases and agreements necessary or incidental to the performance of its duties and the exercise of its powers under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), and subject to any agreement with the holders of the trust’s bonds, notes or other obligations, consent to any modification, amendment or revision of any contract, lease or agreement to which the trust is a party;

e. Enter into agreements or other transactions with and accept, subject to the provisions of section 23 of P.L.1985, c.334 (C.58:11B-23), grants, appropriations and the cooperation of the State, or any State agency, in furtherance of the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), and do anything necessary in order to avail itself of that aid and cooperation;

f. Receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), subject to the conditions upon which such aid and those contributions may be made, including, but not limited to, gifts or grants from any department or agency of the State, or any State agency, for any purpose consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), subject to the provisions of section 23 of P.L.1985, c.334 (C.58:11B-23);
g. Acquire, own, hold, construct, improve, rehabilitate, renovate, operate, maintain, sell, assign, exchange, lease, mortgage or otherwise dispose of real and personal property, or any interest therein, in the exercise of its powers and the performance of its duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill);

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

i. Borrow money and issue bonds, notes and other obligations, and secure the same, and provide for the rights of the holders thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill);

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

k. Procure insurance to secure the payment of its bonds, notes or other obligations or the payment of any guarantees or loans made by it in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), or against any loss in connection with its property and other assets and operations, in any amounts and from any insurers as it deems desirable;

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

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

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

(4) Make and contract to make loans and provide other assistance to one or more local government units or consortia thereof to finance the cost of transportation projects in accordance with the provisions of the federal infrastructure bank program and pursuant to sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill);

n. Subject to any agreement with holders of its bonds, notes or other obligations, purchase bonds, notes and other obligations of the trust and hold the same for resale or provide for the cancellation thereof, all in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill);

o. (1) Charge to and collect from local government units, private persons or public water utilities any fees and charges in connection with the trust's loans, guarantees or other services, including, but not limited to, fees and charges sufficient to reimburse the trust for all reasonable costs necessarily incurred by it in connection with its financings and the establishment and maintenance of reserve or other funds, as the trust may determine to be reasonable. The fees and charges shall be in accordance with a uniform schedule published by the trust for the purpose of providing actual cost reimbursement for the services rendered;

(2) Any fees and charges collected by the trust pursuant to this subsection may be deposited and maintained in a special fund separate from any other funds held by the trust pursuant to section 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997, c.224 (C.58:11B-10.1), including the Emergency Loan Fund established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1), and shall be available for any corporate purposes of the trust, including the Emergency Financing Program pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1);

p. Subject to any agreement with holders of its bonds, notes or other obligations, obtain as security or to provide liquidity for payment of all or any part of the principal of and interest and premium on the bonds, notes and other obligations of the trust or
for the purchase upon tender or otherwise of the bonds, notes or
other obligations, lines of credit, letters of credit and other security
agreements or instruments in any amounts and upon any terms as
the trust may determine, and pay any fees and expenses required in
connection therewith;
q. Provide to local government units any financial and credit
advice as these local government units may request;
r. Make payments to the State from any moneys of the trust
available therefor as may be required pursuant to any agreement
with the State or act appropriating moneys to the trust; and
s. Take any action necessary or convenient to the exercise of
the foregoing powers or reasonably implied therefrom.
(cf: P.L.2009, c.103, s.2)
15. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to
read as follows:
6. a. Except as may be otherwise expressly provided in the
provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997,
c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
P.L. , c. (C. ) (pending before the Legislature as this bill),
the trust may from time to time issue its bonds, notes, or other
obligations in any principal amounts as in the judgment of the trust
shall be necessary to provide sufficient funds for any of its
corporate purposes, including the payment, funding, or refunding of
the principal of, or interest or redemption premiums on, any bonds,
notes, or other obligations issued by it, whether the bonds, notes, or
other obligations or the interest or redemption premiums thereon to
be funded or refunded have or have not become due, the
establishment or increase of reserves or other funds to secure or to
pay the bonds, notes, or other obligations or interest thereon and all
other costs or expenses of the trust incident to and necessary to
carry out its corporate purposes and powers.
b. Whether or not the bonds, notes or other obligations of the
trust are of a form and character as to be negotiable instruments
under the terms of Title 12A of the New Jersey Statutes, the bonds,
notes and other obligations are made negotiable instruments within
the meaning of and for the purposes of Title 12A of the New Jersey
Statutes, subject only to the provisions of the bonds, notes and other
obligations for registration.
c. Bonds, notes or other obligations of the trust shall be
authorized by a resolution or resolutions of the trust and may be
issued in one or more series and shall bear any date or dates, mature
at any time or times, bear interest at any rate or rates of interest per
annum, be in any denomination or denominations, be in any form,
either coupon, registered or book entry, carry any conversion or
registration privileges, have any rank or priority, be executed in any
manner, be payable in any coin or currency of the United States
which at the time of payment is legal tender for the payment of
public and private debts, at any place or places within or without
the State, and be subject to any terms of redemption by the trust or
the holders thereof, with or without premium, as the resolution or
resolutions may provide. A resolution of the trust authorizing the
issuance of bonds, notes or other obligations may provide that the
bonds, notes or other obligations be secured by a trust indenture
between the trust and a trustee, vesting in the trustee any property,
rights, powers and duties in trust consistent with the provisions of
P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224
(C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L.,
c. (C. ) (pending before the Legislature as this bill) as the trust
may determine.

d. Bonds, notes or other obligations of the trust may be sold at
any price or prices and in any manner as the trust may determine.
Each bond, note or other obligation shall mature and be paid not
later than 30 years for environmental infrastructure projects, and 31
years for transportation projects, from the effective date thereof, or
the certified useful life of the project or projects to be financed by
the bonds, whichever is less, or a shorter period of time as may be
applicable to any companion loan issued pursuant to federal law or
regulation.

All bonds of the trust shall be sold at [such] the price or prices
and in [such] the manner as the trust shall determine, after notice
of sale, a summary of which shall be published at least once in at
least three newspapers published in the State of New Jersey and at
least once in a publication carrying municipal bond notices and
devoted primarily to financial news published in New Jersey or the
city of New York, the first summary notice to be at least five days
prior to the day of bidding. The notice of sale may contain a
provision to the effect that any or all bids made in pursuance thereof
may be rejected. In the event of such rejection or of failure to
receive any acceptable bid, the trust, at any time within 60 days
from the date of such advertised sale, may sell such bonds at private
sale upon terms not less favorable to the State than the terms
offered by any rejected bid. The trust may sell all or part of the
bonds of any series as issued to any State fund or to the federal
government or any agency thereof, at private sale, without
advertisement.

e. Bonds, notes or other obligations of the trust may be issued
under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) [or],
P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
through 43 of P.L., c. (C. ) (pending before the Legislature
as this bill) without obtaining the consent of any department,
division, board, bureau or agency of the State, and without any
other proceedings or the happening of any other conditions or
things, other than those consents, proceedings, conditions or things
which are specifically required by P.L.1985, c.334 (C.58:11B-1 et
seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27
and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill).

f. Bonds, notes or other obligations of the trust issued under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not be a debt or liability of the State or of any political subdivision thereof other than the trust and shall not create or constitute any indebtedness, liability or obligation of the State or any political subdivision, but all these bonds, notes and other obligations, unless funded or refunded by bonds, notes or other obligations, shall be payable solely from revenues or funds pledged or available for their payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill). Each bond, note and obligation shall contain on its face a statement to the effect that the trust is obligated to pay the principal thereof or the interest thereon only from its revenues, receipts or funds pledged or available for their payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), and that neither the State, nor any political subdivision thereof, is obligated to pay the principal or interest and that neither the faith and credit nor the taxing power of the State, or any political subdivision thereof, is pledged to the payment of the principal of or the interest on the bonds, notes or other obligations.

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

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

(2) The Joint Budget Oversight Committee or its successor shall have the authority to approve or disapprove the sales of refunding bonds as included in each report submitted in accordance with paragraph (1) of this subsection. The committee shall notify the trust in writing of the approval or disapproval within 30 days of receipt of the report. Should the committee not act within 30 days of receipt of the report, the trust may proceed with the sale of the refunding bonds, provided that the sale of refunding bonds shall realize not less than [3.00%] three percent net present value debt service savings.

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

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

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

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

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

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

(3) Pledge of all moneys, funds, accounts, securities and other funds, including the proceeds of the bonds, notes or other obligations;
(4) Pledge of the receipts to be derived from the payments of State aid, payable to the trust pursuant to section 12 of P.L.1985, c.334 (C.58:11B-12);

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

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

j. (Deleted by amendment, P.L.1996, c.88).

(cf: P.L.2015, c.106, s.1)

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

7. In any resolution of the trust authorizing or relating to the issuance of any of its bonds, notes or other obligations, the trust, in order to secure the payment of the bonds, notes or other obligations and in addition to its other powers, may by provisions therein which shall constitute covenants by the trust and contracts with the holders of the bonds, notes or other obligations:

a. Secure the bonds, notes or other obligations as provided in section 6 of P.L.1985, c.334 (C.58:11B-6);

b. Covenant against pledging all or part of its revenues or receipts;

c. Covenant with respect to limitations on any right to sell, mortgage, lease or otherwise dispose of any notes, bonds or other obligations of local government units, or any part thereof, or any property of any kind;

d. Covenant as to any bonds, notes or other obligations to be issued by the trust, and the limitations thereon, and the terms and conditions thereof, and as to the custody, application, investment and disposition of the proceeds thereof;

e. Covenant as to the issuance of additional bonds, notes or other obligations of the trust or as to limitations on the issuance of additional bonds, notes or other obligations and on the incurring of other debts by it;

f. Covenant as to the payment of the principal of or interest on bonds, notes or other obligations of the trust, as to the sources and methods of payment, as to the rank or priority of the bonds, notes or other obligations with respect to any lien or security or as to the acceleration of the maturity of the bonds, notes or other obligations;

g. Provide for the replacement of lost, stolen, destroyed or mutilated bonds, notes or other obligations of the trust;

h. Covenant against extending the time for the payment of bonds, notes or other obligations of the trust or interest thereon;
i. Covenant as to the redemption of bonds, notes and other obligations by the trust or the holders thereof and privileges of exchange thereof for other bonds, notes or other obligations of the trust;

j. Covenant to create or authorize the creation of special funds or accounts to be held in trust or otherwise for the benefit of holders of bonds, notes and other obligations of the trust, or reserves for other purposes and as to the use, investment, and disposition of moneys held in those funds, accounts or reserves;

k. Provide for the rights and liabilities, powers and duties arising upon the breach of any covenant, condition or obligation and prescribe the events of default and terms and conditions upon which any or all of the bonds, notes or other obligations of the trust shall become or may be declared due and payable before maturity and the terms and conditions upon which the declaration and its consequences may be waived;

l. Vest in a trustee or trustees within or without the State any property, rights, powers and duties in trust as the trust may determine, which may include any or all of the rights, powers and duties of any trustee appointed by the holders of any bonds, notes or other obligations of the trust pursuant to section 18 of P.L.1985, c.334 (C.58:11B-18), including rights with respect to the sale or other disposition of notes, bonds or other obligations of local government units pledged pursuant to a resolution or trust indenture for the benefit of the holders of bonds, notes or other obligations of the trust and the right by suit or action to foreclose any mortgage pledged pursuant to the resolution or trust indenture for the benefit of the holders of the bonds, notes or other obligations, and to limit or abrogate the right of the holders of any bonds, notes or other obligations of the trust to appoint a trustee under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), and to limit the rights, duties and powers of the trustee;

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

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

o. Make covenants other than or in addition to the covenants authorized by P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) of like or different character, and make covenants to do or refrain from doing any acts and things as may be necessary, or convenient and
desirable, in order to better secure the bonds, notes or other
obligations of the trust, or which, in the absolute discretion of the
trust, would make the bonds, notes or other obligations more
marketable, notwithstanding that the covenants, acts or things may
not be enumerated herein.
(cf: P.L.1997, c.224, s.8)

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

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

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

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

(4) The trust may make and contract to make loans and provide
other assistance to a local government unit or consortia thereof to
finance the cost of transportation projects pursuant to sections 27
and 39 through 43 of P.L. , c. (C. ) (pending before the
Legislature as this bill), and provided that the federally-funded
subaccount is operated in accordance with the provisions of the
federal infrastructure bank program.

The loans may be made subject to those terms and conditions as
the trust shall determine to be consistent with the purposes thereof.
Each loan by the trust and the terms and conditions thereof shall be
subject to approval by the State Treasurer, and the trust shall make
available to the State Treasurer all information, statistical data and
reports of independent consultants or experts as the State Treasurer
shall deem necessary in order to evaluate the loan. Each loan to a
local government unit, public water utility or any other person shall
be evidenced by notes, bonds or other obligations thereof issued to
the trust. In the case of each local government unit, notes and
bonds to be issued to the trust and, if applicable, the State, acting by
and through the Department of Environmental Protection, by the
local government unit (1) shall be authorized and issued as provided
by law for the issuance of notes and bonds by the local government
unit, (2) notwithstanding any provisions of the "Local Authorities
Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) to the
contrary, shall be approved by the Director of the Division of Local
Government Services in the Department of Community Affairs, and
(3) [.] notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-28 and N.J.S.40A:2-29 or any other provisions of law
to the contrary, may be sold at private sale to the trust or the State,
as the case may be, at any price, whether or not less than par value,
and shall be subject to redemption prior to maturity at any times and
at any prices as the trust or the State, as the case may be, and local
government units may agree. Each loan to a local government unit,
public water utility or any other person and the notes, bonds or
other obligations thereby issued shall bear interest at a rate or rates
per annum as the trust or the State, as the case may be, and the local
government unit, public water utility or any other person, as the
case may be, may agree.

b. The trust is authorized to guarantee or contract to guarantee
the payment of all or any portion of the principal and interest on
bonds, notes or other obligations issued by a local government unit
to finance the cost of any wastewater treatment system project [or],
water supply project, or transportation project which the local
government unit may lawfully undertake or acquire and for which
the local government unit is authorized by law to borrow money,
and the guarantee shall constitute an obligation of the trust for the
purposes of P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997,
c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
P.L.____, c.____ (C.__) (pending before the Legislature as this bill).
Each guarantee by the trust and the terms and conditions thereof
shall be subject to approval by the State Treasurer, and the trust
shall make available to the State Treasurer all information,
statistical data and reports of independent consultants or experts as
the State Treasurer shall deem necessary in order to evaluate the
guarantee.

c. The trust shall not make or contract to make any loans or
 guarantees to local government units, public water utilities or any
 other person, or otherwise incur any additional indebtedness, on or
 after June 30, 2033.
d. Notwithstanding any provision of P.L.1985, c.334
(C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
the contrary, the trust may receive funds from any source including,
without limitation, any funds drawn by the trust from a revolving
line of credit or other similar financial vehicle that may be procured
by the trust, either through a competitive or negotiated process,
pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit
into the Interim Environmental Financing Program Fund or the trust
may issue its bonds, notes or other obligations in any principal amounts, in either case, as in the judgment of the trust shall be necessary to provide sufficient funds to finance or refinance short-term or temporary loans to local government units, public water utilities or private persons for any wastewater treatment system projects included on the Department of Environmental Protection project priority list and eligible for approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) or water supply projects included on the Department of Environmental Protection project priority list and eligible for approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, without regard to any other provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including, without limitation, any administrative or legislative approvals.

The trust shall create and establish a special fund [(hereinafter referred to be known as the "Interim Environmental Financing Program Fund") for the short-term or temporary loan financing or refinancing program [(hereinafter referred to be known as the "Interim Environmental Financing Program")].

Any short-term or temporary loans made by the trust pursuant to this subsection may only be made in advance of the anticipated loans the trust may make and contract to make under the provisions of subsection a. of this section from any source of funds anticipated to be received by the trust. Any such short-term or temporary loan made pursuant to the Interim Environmental Financing Program shall mature no later than the last day of the third succeeding fiscal year following the closing date on which the short-term or temporary loan was made by the trust to the project sponsor. The trust may make short-term or temporary loans pursuant to the Interim Environmental Financing Program to any one or more of the project sponsors, for the respective projects thereof, identified in the interim financing project priority list [(hereinafter referred to be known as the "Interim Environmental Financing Program Eligibility List") in the form provided to the Legislature by the Commissioner of Environmental Protection.

The Interim Environmental Financing Program Eligibility List, including any revision thereof or supplement thereto, shall be submitted to the Secretary of the Senate and the Clerk of the General Assembly on or before June 30 of each year. The Interim Environmental Financing Program Eligibility List shall be submitted to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once in each fiscal year. The Secretary and the Clerk shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly, respectively. Any environmental infrastructure project or the project sponsor thereof not identified in the Interim Environmental Financing Program Eligibility List shall not be
eligible for a short-term or temporary loan from the Interim Financing Environmental Program Fund.

e. Notwithstanding any provisions of the "Local Bond Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the contrary, short-term or temporary loans made by the trust pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013, c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6), and the obligations issued by project sponsors to evidence such loans, may, at the discretion of the trust and upon application by the project sponsor, bear interest at a variable rate determined pursuant to a methodology as may be established by the trust from time to time.

 Further, notwithstanding any provisions of the "Local Bond Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the contrary, any short-term or temporary loans made by the trust pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013, c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6), and any notes or other obligations issued by project sponsors to evidence such short-term or temporary loans, except as provided in section 1 of P.L.2009, c.59 (C.58:11B-9.2), shall mature no later than the last day of the third succeeding fiscal year following the date of issuance of such notes or other obligations, without payment by project sponsors of any portion of the principal thereof prior to maturity.

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

 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary, the trust may receive funds from any source including, without limitation, any funds drawn by the trust from a revolving line of credit or other similar financial vehicle that may be procured by the trust, either through a competitive or negotiated process, pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the Interim Transportation Financing Program Fund or the trust may issue its bonds, notes or other obligations in any principal amounts, in either case, as in the judgment of the trust shall be necessary to
provide sufficient funds to finance or refinance short-term or
temporary loans to local government units or private persons for
any transportation project included on the Department of
Transportation Interim Transportation Financing Program Project
Eligibility List for the ensuing fiscal year and eligible for approval
pursuant to sections 27 and 39 through 43 of P.L.1985, c. (C. )
(pending before the Legislature as this bill), without regard to any
other provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,
c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
P.L. , c. (C. ) (pending before the Legislature as this bill),
including, without limitation, any administrative or legislative
approvals.

Any short-term or temporary loans made by the trust pursuant to
this subsection may only be made in advance of the anticipated
loans the trust may make and contract to make under the provisions
of subsection a. of this section from any source of funds anticipated
to be received by the trust. Any such short-term or temporary loan
made pursuant to the Interim Transportation Financing Program
shall mature no later than the last day of the third succeeding fiscal
year following the closing date on which the short-term or
temporary loan was made by the trust to the project sponsor. The
trust may make short-term or temporary loans pursuant to the
Interim Transportation Financing Program to any one or more of the
project sponsors, for the respective projects thereof, only if a
project is identified in the Department of Transportation Interim
Transportation Financing Program Project Eligibility List to be
known as the "Interim Transportation Financing Program Project
Eligibility List" in the form provided to the Legislature by the
Commissioner of Transportation.

The Interim Transportation Financing Program Project Eligibility
List, including any revision thereof or supplement thereto, shall be
submitted to the Secretary of the Senate and the Clerk of the
General Assembly on or before July 1 of each year. The Interim
Transportation Financing Program Project Eligibility List shall be
submitted to the Legislature pursuant to section 2 of P.L.1991,
c.164 (C.52:14-19.1) at least once in each fiscal year. The
Secretary and the Clerk shall cause the date of submission to be
entered upon the Senate Journal and the Minutes of the General
Assembly, respectively. Any transportation infrastructure project or
the project sponsor thereof not identified in the Interim
Transportation Financing Program Project Eligibility List shall not
be eligible for a short-term or temporary loan from the Interim
Transportation Financing Program Fund. The trust may revise or
supplement the Interim Transportation Financing Program Project
Eligibility List no more than three times during the fiscal year, and
shall submit the revised list to the Legislature when the revisions
are made.
No funds may be disbursed pursuant to this section for project activities prior to the determination and certification in writing, from the Department of Transportation, that the project activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. . c. (C. ) (pending before the Legislature as this bill).
(cf: P.L.2015, c.106, s.2)

18. Section 4 of P.L.2007, c.138 (C.58:11B-9.1) is amended to read as follows:

4. a. The trust shall create and establish a special emergency fund [(hereinafter referred)] to be known as the "Emergency Loan Fund"[(hereinafter referred to as the "Emergency Financing Program,")] for the emergency short-term or temporary loan financing or refinancing program [(hereinafter referred to be known as the "Emergency Financing Program,")] to finance or refinance emergency short-term or temporary loans pursuant to the Emergency Financing Program; and

b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) [(or)], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. . c. (C. ) (pending before the Legislature as this bill) to the contrary, the trust may make emergency short-term or temporary loans to (1) local government units to finance or refinance wastewater treatment system projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or private persons to finance or refinance water supply projects not
included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, whenever the Commissioner of Environmental Protection has determined and certified, in writing, that any such project constitutes an emergency project because of an imminent threat to the environment or the public health, safety or welfare caused by structural or mechanical failure, sabotage or act of God, without regard to any other provisions of P.L.1985, c.334 or (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. c. (C. ) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals. (cf: P.L.2015, c.106, s.3)

19. Section 1 of P.L.2009, c.59 (C.58:11B-9.2) is amended to read as follows:

1. a. The trust shall create and establish a special fund [(hereinafter referred] to be known as the "Planning and Design Fund"] for the short-term or temporary financing or refinancing of environmental planning and engineering design costs [(hereinafter referred] to be known as the "Planning and Design Financing Program."]

The Planning and Design Fund shall be credited with:

(1) moneys deposited in the fund as administrative fees received by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5);

(2) moneys received by the trust as repayment of the principal and the interest or premium on loans made from the fund;

(3) any interest earnings received on the moneys in the fund;

(4) moneys deposited in the Interim Environmental Financing Program Fund established pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) subject to the provisions of subsection c. of this section;

(5) such other moneys as the Legislature may appropriate to the trust for deposit into the fund at any time to finance or refinance short-term or temporary loans pursuant to the Planning and Design Financing Program; and

(6) any other source of available funds deemed by the trust to be necessary or appropriate to provide sufficient funds for deposit into the Planning and Design Fund to finance or refinance short-term or temporary loans pursuant to the Planning and Design Financing Program, including, without limitation, any funds drawn by the trust from a revolving line of credit or other similar financial vehicle that may be procured by the trust, either through a competitive or
negotiated process, pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the Planning and Design Fund to finance or refinance short-term or temporary loans pursuant to the Planning and Design Financing Program.

b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C. ) (pending before the Legislature as this bill) to the contrary, the trust may make short-term or temporary loans for environmental planning and engineering design costs to (1) local government units to finance or refinance wastewater treatment system projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or private persons to finance or refinance water supply projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, without regard to any other provisions of P.L.1985, c.334 [or] (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C. ) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals. Except for Combined Sewer Overflow Abatement Projects, any such short-term or temporary loan made pursuant to the Planning and Design Financing Program shall mature no later than the last day of the third succeeding fiscal year following the closing date on which the Planning and Design loan was made by the trust to the project sponsor. Planning and Design loans made to Combined Sewer Overflow Abatement Projects shall mature no later than the last day of the tenth succeeding fiscal year following the closing date on which the Planning and Design loan was made by the trust to the project sponsor.

c. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C. ) (pending before the Legislature as this bill) to the contrary, the trust may utilize moneys deposited in the Interim Environmental Financing Program Fund established pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9) to make short-term or temporary loans for environmental planning and engineering design costs to (1) local government units to finance or refinance wastewater treatment system projects included on the project priority list pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or private persons to finance or refinance water supply projects included on the project priority list pursuant
to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, in advance of the anticipated loans the trust may make and contract to make under the provisions of subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to be financed or refinanced through the issuance of bonds, notes or other obligations of the trust authorized under section 6 of P.L.1985, c.334 (C.58:11B-6), without regard to any other provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals. (cf: P.L.2015, c.106, s.4)

20. Section 5 of P.L.2009, c.103 (C.58:11B-9.3) is amended to read as follows:

5. a. The trust shall create and establish a special fund [hereinafter referred] to be known as the "Onsite Wastewater Disposal Loan Fund" (hereinafter referred) to be known as the "Onsite Wastewater Disposal Financing Program." The Onsite Wastewater Disposal Loan Fund shall be credited with:

(1) moneys deposited in the fund as administrative fees received by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5);

(2) moneys received by the trust as repayment of the principal and the interest or premium on loans made from the fund;

(3) any interest earnings received on the moneys in the fund; and

(4) such other moneys as the Legislature may appropriate to the trust for deposit into the fund at any time to finance or refinance onsite wastewater disposal loans pursuant to the Onsite Wastewater Disposal Financing Program. b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) (or), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) to the contrary, the trust may make onsite wastewater disposal loans for a period not to exceed 10 years to private persons or to local government units on behalf of private persons to finance the cost of alterations, repairs or replacements to individual subsurface sewage disposal systems performed pursuant to an onsite septic system ordinance approved by the Department of Environmental Protection, the New Jersey Pinelands Commission or the New Jersey Highlands Council,
without regard to any other provisions of P.L.1985, c.334 [or (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L.], c. (C.) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals.

(cf: P.L.2011, c.94, s.1)

21. Section 2 of P.L.2011, c.94 (C.58:11B-9.4) is amended to read as follows:

2. a. The trust shall create and establish a special fund [(hereinafter referred] to be known as the "Supplemental Loan Fund"] for the short-term or temporary supplemental loan financing or refinancing program [(hereinafter referred] to be known as the "Supplemental Financing Program."]

The Supplemental Loan Fund shall be credited with:

(1) moneys deposited in the fund as administrative fees received by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5);
(2) moneys received by the trust as repayment of the principal and the interest or premium on loans made from the fund;
(3) any interest earnings received on the moneys in the fund;
(4) such other moneys as the Legislature may appropriate to the trust for deposit into the fund at any time to finance or refinance short-term or temporary supplemental loans pursuant to the Supplemental Financing Program; and
(5) any other source of available funds deemed by the trust to be necessary or appropriate to provide sufficient funds for deposit into the Supplemental Loan Fund to finance or refinance short-term or temporary loans pursuant to the Supplemental Financing Program, including, without limitation, any funds drawn by the trust from a revolving line of credit or other similar financial vehicle that may be procured by the trust, either through a competitive or negotiated process, pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the Supplemental Loan Fund to finance or refinance short-term or temporary loans pursuant to the Supplemental Financing Program.

b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary, the trust may make short-term or temporary loans for a project for which a loan has been previously issued pursuant to subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to pay for eligible costs incurred in excess of the previous loan amount for activities specifically approved in the previous project loan to: (1) local government units to finance or refinance wastewater treatment.
system projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or private persons to finance or refinance water supply projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, without regard to any other provisions of P.L.1985, c.334 [or] (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals.

22. Section 1 of P.L.2013, c.93 (C.58:11B-9.5) is amended to read as follows:

1. a. The trust shall create and establish a special fund [(hereinafter referred] to be known as the "Disaster Relief Emergency Financing Program Fund[("))] for the disaster relief emergency short-term or temporary loan program of the trust [(hereinafter referred] to be known as the "Disaster Relief Emergency Financing Program."[)].

The Disaster Relief Emergency Financing Program Fund shall be credited with:

1. moneys deposited in the fund as administrative fees received by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5);

2. moneys received by the trust as repayment of the principal of and the interest or premium on loans made from the fund;

3. any interest earnings received on the moneys in the fund;

4. such other moneys as the Legislature may appropriate to the trust for deposit into the fund at any time to finance or refinance emergency short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program;

5. the proceeds of any bonds, notes or other obligations that may be issued by the trust from time to time in any principal amounts as in the judgment of the trust shall be necessary or appropriate to provide sufficient funds for deposit into the fund to finance or refinance emergency short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program; and

6. any other source of available funds that may be deemed by the trust to be necessary or appropriate to provide sufficient funds for deposit into the fund to finance or refinance emergency short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program, including, without limitation, any funds drawn
by the trust from a revolving line of credit or other similar financial vehicle, either through a competitive or negotiated process, that may be procured by the trust pursuant to the provisions of section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to finance or refinance emergency short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program.

b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.) [or], P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C.____) (pending before the Legislature as this bill) to the contrary, the trust may make emergency short-term or temporary Disaster Relief Emergency Financing Program loans to: (1) local government units to finance or refinance the costs incurred in the environmental planning and design associated with such wastewater treatment system projects, and wastewater treatment system projects, as applicable; or (2) local government units, public water utilities, or private persons to finance or refinance the costs incurred in the environmental planning and design of water supply projects, and water supply projects, as applicable.

Emergency short-term or temporary loans may be made upon the determination and certification in writing by the department that any such project is necessary and appropriate to: repair damages to a wastewater treatment system or water supply facility directly arising from an act of terrorism, seismic activity, or weather conditions that occurred within the prior three fiscal years that gave rise to a declaration by the Governor of a state of emergency, provided the wastewater treatment system or water supply facility is located in a county included in the Governor's state of emergency declaration; or mitigate the risk of future damage to a wastewater treatment system or water supply facility from an act of terrorism, seismic activity, or weather conditions comparable in scope and severity to the act of terrorism, seismic activity, or weather conditions that occurred within the prior three fiscal years that gave rise to a declaration by the Governor of a state of emergency, provided the wastewater treatment system or water supply facility is located in a county included in the Governor's state of emergency declaration, without regard to any other provisions of P.L.1985, c.334 [or] (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C.____) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals. Any such short-term or temporary loan pursuant to the Disaster Relief Emergency Financing Program shall mature no later than the last day of the third succeeding fiscal year following the closing date on which the
short-term or temporary loan was made by the trust to the project sponsor.

c. The trust may make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to one or more of the project sponsors, for the respective projects thereof, identified on the Disaster Relief Emergency Financing Program project priority list [(hereinafter referred] to be known as the "Disaster Relief Emergency Financing Program Eligibility List"[] in the form provided to the Legislature by the Commissioner of Environmental Protection. The Disaster Relief Emergency Financing Program Eligibility List shall be submitted to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once in each fiscal year. An environmental infrastructure project or a project sponsor thereof not identified on the Disaster Relief Emergency Financing Program Eligibility List submitted to the Legislature shall not be eligible for a short-term or temporary loan from the Disaster Relief Emergency Financing Program Fund. (cf: P.L.2015, c.106, s.6)

23. Section 1 of P.L.2014, c.28 (C.58:11B-9.6) is amended to read as follows:

1. a. The trust shall create and establish a special fund [(hereinafter referred] to be known as the "Equipment Loan Fund"] for the short-term or temporary equipment loan program [(hereinafter referred] to be known as the "Equipment Loan Program."] The Equipment Loan Fund shall be credited with:

(1) moneys deposited in the fund as administrative fees received by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5);

(2) moneys received by the trust as repayment of the principal and the interest or premium on loans made from the fund;

(3) any interest earnings received on the moneys in the fund;

(4) such other moneys as the Legislature may appropriate to the trust for deposit into the fund at any time to finance or refinance short-term or temporary loans pursuant to the Equipment Loan Program;

(5) the proceeds of any bonds, notes or other obligations that may be issued by the trust from time to time in any principal amounts as in the judgment of the trust shall be necessary or appropriate to provide sufficient funds for deposit into the fund to finance or refinance short-term or temporary loans pursuant to the Equipment Loan Program; and

(6) any other source of available funds that may be deemed by the trust to be necessary or appropriate to provide sufficient funds for deposit into the fund to finance or refinance short-term or temporary loans pursuant to the Equipment Loan Program, including, without limitation, any funds drawn by the trust from a
revolving line of credit or other similar financial vehicle, that may be procured by the trust, either through a competitive or negotiated process, pursuant to the provisions of section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to finance or refinance short-term or temporary loans pursuant to the Equipment Loan Program.

b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) to the contrary, the trust may make short-term or temporary equipment loans to: (1) local government units to finance wastewater treatment system equipment projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 20 of P.L.1985, c.332 (C.58:11B-20); or (2) public water utilities or private persons to finance water supply equipment projects not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1).

The loans may be made without regard to any other provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), including, without limitation, the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental Financing Program Eligibility List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals.

(cf: P.L.2015, c.106, s.7)

24. Section 10 of P.L.1985, c.334 (C.58:11B-10) is amended to read as follows:

10. The trust shall create and establish a special fund to be known as the "wastewater treatment system general loan fund."

Subject to the provisions of the legislation appropriating moneys to the trust, subject to any other provision of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) providing otherwise, and subject to agreements with the holders of bonds, notes and other obligations of the trust, the trust shall deposit into the wastewater treatment system general loan fund all revenues and receipts of the trust, including moneys received by the trust as payment of the principal and the interest or premium on loans made from moneys in any wastewater treatment system fund or account held by the trust under P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), and the
earnings on the moneys in any wastewater treatment system fund or account of the trust, and all grants, appropriations, other than those referred to in section 11 of P.L.1985, c.334 (C.58:11B-11), contributions, or other moneys from any source, available for the making of loans to local government units. The amounts in the wastewater treatment system general loan fund shall be available for application by the trust for loans to local government units for the cost of wastewater treatment system projects, and for other corporate purposes of the trust related to wastewater treatment systems, subject to agreements with the holders of bonds, notes or other obligations of the trust.

(cf: P.L.1997, c.224, s.10)

25. Section 23 of P.L.1997, c.224 (C.58:11B-10.1) is amended to read as follows:

23. The trust shall create and establish a special fund to be known as the "water supply facilities general loan fund."

Subject to the provisions of the legislation appropriating moneys to the trust, subject to any other provision of P.L.1985, c.334 (C.58:11B-1 et seq.) or sections 27 and 39 through 43 of P.L.1997, c.224 (C.58:11B-10.1 et al.) (pending before the Legislature as this bill) providing otherwise, and subject to agreements with the holders of bonds, notes and other obligations of the trust, the trust shall deposit in the water supply facilities general loan fund all revenues and receipts of the trust, including moneys received by the trust as payment of the principal of and the interest or premium on loans made from moneys in any fund or account held by the trust under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or sections 27 and 39 through 43 of P.L.1997, c.224 (C.58:11B-10.1 et al.) (pending before the Legislature as this bill), and the earnings on the moneys in any fund or account of the trust, and all grants, appropriations, other than those referred to in section 11 of P.L.1985, c.334 (C.58:11B-11), contributions, or other moneys from any source, available for the making of loans to local government units, public water utilities, or to any other person or local government unit on behalf of a public water utility, for water supply projects. The amounts in the water supply facilities general loan fund shall be available for application by the trust for loans to local government units, public water utilities or any other person for the cost of water supply projects, and for other corporate purposes of the trust, subject to agreements with the holders of bonds, notes or other obligations of the trust.

(cf: P.L.1999, c.175, s.4)

26. Section 1 of P.L.2005, c.202 (C.58:11B-10.2) is amended to read as follows:
There is established in the New Jersey Environmental Infrastructure Bank a special fund to be known as the Department of Environmental Protection Loan Origination Fee Fund. The Department of Environmental Protection Loan Origination Fee Fund shall be credited with:

1. Moneys deposited into the fund as loan origination fees received by the Department of Environmental Protection and paid by project sponsors of wastewater treatment system projects or water supply projects financed under the New Jersey Environmental Infrastructure Financing Program; and
2. Any interest accumulated on the amounts of the Department of Environmental Protection loan origination fees.

Moneys in the Department of Environmental Protection Loan Origination Fee Fund shall be used by the Department of Environmental Protection for administrative and operating expenses incurred by the department in administering the New Jersey Environmental Infrastructure Financing Program, except that the total amount utilized by the department for administrative and operating expenses in any fiscal year shall not exceed $5,000,000. The amounts in the Department of Environmental Protection Loan Origination Fee Fund shall also be available for application by the department for State matching funds or loans to local government units for the cost of wastewater treatment system or water supply projects. Amounts in excess of revenue anticipation shall be carried forward into the following year.

As used in this section, "Department of Environmental Protection loan origination fee" means the fee charged by the Department of Environmental Protection and financed under the trust loan to pay a portion of the costs incurred by the department in the implementation of the New Jersey Environmental Infrastructure Financing Program.

27. (New section) a. There is established in the New Jersey Infrastructure Bank a special fund to be known as the Department of Transportation Loan Origination Fee Fund. The Department of Transportation Loan Origination Fee Fund shall be credited with:

1. Moneys deposited into the fund as loan origination fees received by the Department of Transportation and paid by project sponsors of transportation projects financed under the New Jersey Transportation Infrastructure Financing Program; and
2. Any interest accumulated on the amounts of the Department of Transportation loan origination fees.

Moneys in the Department of Transportation Loan Origination Fee Fund shall be used by the Department of Transportation for administrative and operating expenses incurred...
by the department in administering the New Jersey Transportation
Infrastructure Financing Program, except that the total amount
utilized by the department for administrative and operating
expenses in any fiscal year shall not exceed $8,000,000. The
amounts in the Department of Transportation Loan Origination Fee
Fund shall also be available for application by the department for
State matching funds or loans to local government units for the cost
of transportation projects. Amounts in excess of revenue
anticipation shall be carried forward into the following year.
c. As used in this section, "Department of Transportation loan
origination fee" means the fee charged by the Department of
Transportation and financed under the trust loan to pay a portion of
the costs incurred by the department in the implementation of the
New Jersey Transportation Infrastructure Financing Program.

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

12. a. To assure the continued operation and solvency of the
trust, the trust may require that if a local government unit fails or is
unable to pay to the trust in full when due any obligations of the
local government unit to the trust, an amount sufficient to satisfy
the deficiency shall be paid by the State Treasurer to the trust from
State aid payable to the local government unit. As used in this
section, obligations of the local government unit include the
principal of or interest on bonds, notes or other obligations of a
local government unit issued to or guaranteed by the trust, including
the subrogation of the trust to the right of the holders of those
obligations, any fees or charges payable to the trust, and any
amounts payable by a local government unit under any service
contract or other contractual arrangement the payments under which
are pledged to secure any bonds or notes issued to the trust by
another local government unit. State aid includes business personal
property tax replacement revenues, State urban aid and State
revenue sharing, as these terms are defined in section 2 of
[P.L.1976, c.138 (C.40A:3-3)] P.L.1976, c.38 (C.40A:3-3), or
other similar forms of State aid payable to the local government
unit and to the extent permitted by federal law, federal moneys
appropriated or apportioned to the local government unit by the
State, and for loans made in support of transportation projects, State
aid shall also include county and municipal transportation aid
issued pursuant to section 25 of P.L.1984, c.73 (C.27:1B-25).

(1) If the trust requires, and there has been a failure or inability
by a local government unit to pay its obligations to the trust
remaining uncured for a period of 30 days, the chairman of the trust
shall certify to the State Treasurer, with written notice to the fiscal
officer of the local government unit and to the Legislature, the
amount remaining unpaid, and the State Treasurer shall pay that
amount to the trust, or if the right to receive those payments has
been pledged or assigned to a trustee for benefit of the holders of
bonds, notes or other obligations of the trust, to that trustee, out of
the State aid payable to the local government unit, until the amount
so certified is paid.

(2) The amount paid over to the trust shall be deducted from the
corresponding appropriation or apportionment of State aid payable
to the local government unit and shall not obligate the State to
make, nor entitle the local government unit to receive, any
additional appropriation or apportionment. The obligation of the
State Treasurer to make payments to the trust or trustee and the
right of the trust or trustee to receive those payments shall be
subject and subordinate to the rights of holders of qualified bonds
issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et
seq.)

(3) In those instances where the local government units are
municipal or county sewerage, utility or improvement authorities
created pursuant to P.L.1946, c. 138 (C. 40:14A-1 et seq.)
P.L.1946, c.138 (C.40:14A-1 et seq.) or P.L.1957, c.183
(C.40:14B-1 et seq.) P.L.1957, c.183 (C.40:14B-1 et seq.), the
trust may require the municipalities or counties which receive
service or other benefits from the districts or authorities to enter
into service contracts or other contractual arrangements under
which they would be required to make payments which would
satisfy any deficiencies in the revenues of the districts or authorities
to repay the loans made by the trust, which contracts would be
pledged to secure the payment of the loans of the trust.

b. Whenever a local government unit covenants or pledges to or
secures the payment of its obligations to the trust by, in whole or in
part, certain revenues of the local government unit derived by the
local government unit from the imposition of rates, fees and
charges, and the local government unit, and if payments by another
local government unit under a service contract or other contractual
arrangement are pledged to the payment of the obligations, the other
local government unit, fails or is unable to pay in full when due any
of the obligations and the State aid revenues for any reason have not
been made available for the payment of the obligations or have not
been made available in sufficient amounts to pay the obligations in
full, the trust is authorized during the period of such failure to cause
the local government unit, in accordance with the covenants or
pledges established in any loan or other agreement relating thereto,
to establish and collect rates, fees and charges in the amounts
required to pay the obligations in accordance with the covenants or
pledges established in the loan or other agreement relating thereto.

c. In the event that a local government unit, consortia thereof
or private entity receiving a loan from the trust fails or is unable to
pay to the trust in full when due any obligations of the local
government unit, consortia thereof, or private entity to the trust, the
trust shall have the authority to exercise any and all recourses
available to it under the law in an effort to recover any amounts owed to the trust.

(cf: P.L.1985, c.334, s.12)

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

13. Neither the directors of the trust nor any person executing bonds, notes or other obligations of the trust issued pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. (C. ) (pending before the Legislature as this bill) shall be liable personally on the bonds, notes or other obligations by reason of the issuance thereof.

(cf: P.L.1997, c.224, s.11)

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

14. The State does pledge to and covenant and agree with the holders of any bonds, notes or other obligations of the trust issued pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. (C. ) (pending before the Legislature as this bill) that the State shall not limit or alter the rights or powers vested in the trust to perform and fulfill the terms of any agreement made with the holders of the bonds, notes or other obligations or to fix, establish, charge and collect any rents, fees, rates, payments or other charges as may be convenient or necessary to produce sufficient revenues to meet all expenses of the trust and to fulfill the terms of any agreement made with the holders of bonds, notes or other obligations, including the obligations to pay the principal of and interest and premium on those bonds, notes or other obligations, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders, and shall not limit or alter the rights and powers of any local government unit to pay and perform its obligations owed to the trust in connection with loans received from the trust, until the bonds, notes and other obligations of the trust, together with interest thereon, are fully met and discharged or provided for.

(cf: P.L.1997, c.224, s.12)

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

15. The State and all public officers, governmental units and agencies thereof, all banks, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations
and other persons carrying on an insurance business, and all  
executors, administrators, guardians, trustees and other fiduciaries  
may legally invest any sinking funds, moneys or other funds  
belonging to them or within their control in any bonds, notes or  
other obligations issued pursuant to P.L.1985, c.334 (C.58:11B-1 et  
seq.) [or] P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27  
and 39 through 43 of P.L. , c. (C. ) (pending before the  
Legislature as this bill), and those bonds, notes or other obligations  
shall be authorized security for any and all public deposits.  
(cf: P.L.1997, c.224, s.13)  

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

17. All property of the trust is declared to be public property  
devoted to an essential public and governmental function and  
purpose and the revenues, income and other moneys received or to  
be received by the trust shall be exempt from all taxes of the State  
or any political subdivision thereof. All bonds, notes and other  
obligations of the trust issued pursuant to P.L.1985, c.334  
(C.58:11B-1 et seq.) [or] P.L.1997, c.224 (C.58:11B-10.1 et al.),  
or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending  
before the Legislature as this bill) are declared to be issued by a  
body corporate and politic of the State and for an essential public  
and governmental purpose and those bonds, notes and other  
obligations, and interest thereon and the income therefrom and from  
the sale, exchange or other transfer thereof shall at all times be  
exempt from taxation, except for transfer inheritance and estate  
taxes.  
(cf: P.L.1997, c.224, s.14)  

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

18. a. If the trust defaults in the payment of principal of, or  
interest on, any issue of its bonds, notes or other obligations after  
these are due, whether at maturity or upon call for redemption, and  
the default continues for a period of 30 days or if the trust defaults  
in any agreement made with the holders of any issue of bonds, notes  
or other obligations, the holders of [25%] 25 percent in aggregate  
principal amount of the bonds, notes or other obligations of the  
issue then outstanding, by instrument or instruments filed in the  
office of the clerk of any county in which the trust operates and has  
an office and proved or acknowledged in the same manner as  
required for a deed to be recorded, may direct a trustee to represent  
the holders of the bonds, notes or other obligations of the issuers for  
the purposes herein provided.  

b. Upon default, the trustee may, and upon written request of the  
holders of [25%] 25 percent in principal amount of the bonds,
notes or other obligations of the trust of a particular issue then
outstanding shall, in [his or its] the trustee’s own name:

(1) By suit, action or proceeding enforce all rights of the holders
of bonds, notes or other obligations of the issue, to require the trust
to carry out any other agreements with the holders of the bonds,
notes or other obligations of the issue and to perform its duties
under P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224
(C.58:11B-10.1 et al.) or sections 27 and 39 through 43 of P.L. .
c. (C. ) (pending before the Legislature as this bill):

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

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

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

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

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

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

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

d. The Superior Court shall have jurisdiction over any suit,
action or proceeding by the trustees on behalf of the holders of
bonds, notes or other obligations of the trust. The venue of any suit,
action or proceeding shall be in the county in which the principal
office of the trust is located.

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

(cf: P.L.1997, c.224, s.15)
34. Section 19 of P.L.1985, c.334 (C.58:11B-19) is amended to read as follows:

19. Sums of money received pursuant to the authority of P.L.1985, c.334 (C.58:11B-1 et seq.) [or] P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C.) (pending before the Legislature as this bill), whether as proceeds from the sale of particular bonds, notes or other obligations of the trust or as particular revenues or receipts of the trust, are deemed to be trust funds, to be held and applied solely as provided in the resolution or trust indenture under which the bonds, notes or obligations are authorized or secured. Any officer with whom or any bank or trust company with which those sums of money are deposited as trustee thereof shall hold and apply the same for the purposes thereof, subject to any provision as the aforementioned acts and the resolution or trust indenture authorizing or securing the bonds, notes or other obligations of the trust may provide.

(cf: P.L.1997, c.224, s.16)

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

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

b. No funds shall be expended by the trust for its annual operating expenses unless appropriated by law to the trust. Unless required to be otherwise applied pursuant to law, funds generated by the operation of the trust, including, but not limited to: proceeds from the sale of the trust’s bonds, notes or other obligations; revenues derived from investments by the trust; loan repayments from local government units; and fees and charges levied by the trust, may thereafter be applied in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) [or] P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L., c. (C.) (pending before the Legislature as this bill) for any corporate purpose of the trust without appropriation; except that the funds shall only be used to make loans or guarantees approved by the Legislature in accordance with the provisions of sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21 and C.58:11B-22), [or] sections 24, 25, and 26 of P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), or section 40 through 42 of P.L., c. (C.) (pending before the Legislature as this bill).

c. The trust shall not apply for any federal funds, including funds which are authorized pursuant to the "Federal Water Pollution Control Act Amendments of 1972,” Pub.L. 92-500 (33 U.S.C. s.1251 et al.), and any amendatory or supplementary acts thereto.
The trust, with the concurrence of the Commissioner of Environmental Protection, may receive, accept or utilize moneys received from local government units as repayments of principal and interest on loans made from the State Revolving Fund Accounts established pursuant to section 1 of P.L.1988, c.133.

(cf: P.L.1997, c.224, s.20)

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

25. The trust shall establish the rules and regulations governing the making and use of loans or guarantees, including, but not limited to, procedures for the submission of loan guarantee requests, standards for the evaluation of requests, provisions implementing priority systems for projects, reporting requirements of the recipient of any loan or guarantee concerning the progress and the expenditure of funds, and limitations, restrictions or requirements concerning the use of loan funds as the trust shall prescribe; provided that the rules and regulations shall be in compliance with the terms and provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or sections 27 and 39 through 43 of P.L., c. (C.) (pending before the Legislature as this bill) relating to the making of or eligibility for loans or guarantees for environmental infrastructure projects generally or for any particular type or class of wastewater treatment system or water supply projects.

(cf: P.L.1997, c.224, s.21)

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

26. a. The trust shall adopt the rules and regulations requiring a local government unit which receives a loan or guarantee for a project to establish an affirmative action program for the hiring of minority workers in the performance of any construction contract for that project and to establish a program to provide opportunities for socially and economically disadvantaged contractors and vendors to supply materials and services for the contract, consistent with the provisions of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.) Pub.L.75-536 (15 U.S.C. s.637(a) and (d)) and any regulations promulgated pursuant thereto. Not less than 10 percent of the amount of any contract for construction, materials or services for a project shall be awarded to small business concerns owned and controlled by socially and economically disadvantaged individuals as defined in section 8(a) and 8(d) of the "Small Business Act," Pub.L. 75-536 (15 U.S.C. s.637(a) and (d)) Pub.L.85-536 (15 U.S.C. s.631 et seq.), and any regulations promulgated pursuant thereto.

b. The trust shall adopt the rules and regulations requiring any entity, which receives a loan, grant, or guarantee for a project to pay not less than the prevailing wage rate...
to workers employed in the performance of any construction contract for that project, in accordance with the rate determined by the Commissioner of Labor and Workforce Development pursuant to [P.L.1963, c.150 (C.34:11-56.25 et seq.)] P.L.1963, c.150 (C.34:11-56.25 et seq.).

c. Every contract subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L.1985, c. (C.____) (pending before the Legislature as this bill), procured pursuant to the “Local Public Contracts Law,” P.L.1971, c.198, (C.40A:11-1 et seq.), shall provide that every worker employed in the performance of that contract is an apprentice participating in a registered apprenticeship program or has completed a registered apprenticeship, unless the contractor or subcontractor certifies that every worker shall be paid not less than the journeyworker’s rate established for the apprenticeable trade performed pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.). “Registered apprenticeship program” means an apprenticeship program which is registered with and approved by the United States Department of Labor and which provides each trainee with combined classroom and on-the-job training under the direct and close supervision of a highly skilled worker in an occupation recognized as an apprenticeable trade and meets the program performance standards of enrollment and graduation under 29 C.F.R. s.29.6.

(cf: P.L.1985, c.334, s.26)

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

27. The trust shall adopt such rules and regulations as it deems necessary to effectuate the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including those required pursuant to sections 25 and 26 of P.L.1985, c.334 (C.58:11B-25 and C.58:11B-26), and sections 27 and 39 through 43 of P.L.1985, c. (C.____) (pending before the Legislature as this bill), in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

(cf: P.L.1997, c.224, s.22)

39. (New section) a. There is established in the New Jersey Infrastructure Bank a special fund to be known as the State Transportation Infrastructure Bank Fund. There shall be established within the fund, two subaccounts: (1) a federally-funded subaccount that shall be approved to receive federal funds and related State matching funds pursuant to the federal infrastructure bank program provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as amended or superseded, and (2) a State-funded subaccount that shall be approved to receive only State funds in excess of those required to be deposited in the federally-funded subaccount. The
State-funded subaccount shall be ineligible to receive any federal funds. However, funds in the State-funded subaccount shall be eligible for transfer into the federally-funded subaccount in the discretion of the trust for the purpose of related match funding of the federally-funded subaccount.

The State Transportation Infrastructure Bank Fund shall be credited with:

1. (a) State and federal funds appropriated to a federal subaccount of the State Transportation Infrastructure Bank Fund pursuant to the federal infrastructure bank program provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as amended or superseded, and
   (b) State funds in excess of any minimum State match required under the federal infrastructure bank program, appropriated to the State-funded subaccount of the State Transportation Infrastructure Bank Fund;
2. monetary donations made available to the State to support the State Transportation Infrastructure Bank Fund;
3. moneys received as repayment of the principal of and the interest or premium on loans made from the State Transportation Infrastructure Bank Fund;
4. any interest earnings received on the moneys in the State Transportation Infrastructure Bank Fund; and
5. such other moneys as the Legislature may appropriate to the trust for deposit into the State Transportation Infrastructure Bank Fund at any time to finance or refinance transportation loans issued from the State Transportation Infrastructure Bank Fund.

b. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) to the contrary, all moneys placed into the State Transportation Infrastructure Bank Fund shall be held separate from other funds of the trust, and no transportation funds shall be combined or comingled with any funds that finance (1) wastewater treatment system projects, (2) water supply projects, or (3) other environmental infrastructure projects, that are not transportation projects.

c. All moneys placed into the State-funded subaccount of the State Transportation Infrastructure Bank Fund shall be held separate from any federal funds provided for the federally-funded subaccount of the State Transportation Infrastructure Bank Fund.

d. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) or sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill) to the contrary, the trust may provide loans or other assistance to one or more local government units or consortia thereof for the purpose of financing all or a portion of the costs incurred for the planning, acquisition,
engineering, construction, reconstruction, repair, and rehabilitation
of a transportation project, provided that monies from the federally-
funded subaccount are limited to the purposes permitted under the
federal infrastructure bank program.

e. In addition to the financing described in subsection d. of this
section, a portion, not to exceed 10 percent, of the assistance
provided from the State-funded sub-account of the State
Transportation Infrastructure Bank Fund may be issued in the form
of grants.

f. Loans or other assistance granted pursuant to this section
shall be considered an investment or reinvestment by the State
Transportation Infrastructure Bank Fund, provided that monies from
the federally-funded subaccount are limited to the purposes
permitted under the federal infrastructure bank program, and not a
loan within the meaning of section 12 of P.L.1995, c.108 (C.27:1B-
21.5).

g. The refinancing of debt relating to an existing transportation
project shall not be an eligible form of assistance from the State
Transportation Infrastructure Bank Fund, and a loan shall not be
granted unless the applicant can demonstrate to the satisfaction of
the trust that the assistance being sought is not for the refinancing
of debt relating to an existing transportation project.

h. Any project, the use or purpose of which is private and for
which no public benefit is created, shall not be eligible for financial
assistance from the trust.

i. The trust shall consider the following factors when setting an
interest rate on a loan provided pursuant to this section: (1) the
current market rates for comparable obligations; (2) the nature of
the project; (3) the financing structure of the project; (4) the
creditworthiness of the borrower; and (5) the term of the proposed
obligation.

j. The long term loan repayment schedule for each project
shall require: (1) the repayment of the loan commencing six months
after construction completion, the date the facility has opened to
traffic, or three years after execution of the long term financing
obligation, whichever is first, however, in the case of a highway
project, it shall be whichever is later; and (2) a final maturity date
of not more than 35 years following the completion of the project.

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

40. (New section) a. The trust shall maintain the administrative
responsibilities for financing projects approved for assistance
through the State Transportation Infrastructure Bank Fund, in
accordance with any applicable federal laws regarding the use of
federal funds on transportation projects, as well as any provision of
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P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) and sections 27 and 39 through 43 of P.L. , c. (C. ) (pending before the Legislature as this bill), and provided that monies from the federally-funded subaccount are limited by the provisions of the federal infrastructure bank program. The trust is authorized to enter into agreements with one or more local government units or consortia thereof for the use of monies from the State Transportation Infrastructure Bank Fund to provide loans or other assistance for the purpose of financing all or a portion of the costs incurred for the planning, acquisition, engineering, construction, reconstruction, repair, and rehabilitation of a transportation project, provided that monies from the federally-funded subaccount are limited to the purposes permitted under the federal infrastructure bank program. The terms of the federally-funded subaccount agreements shall be consistent with the requirements of the federal infrastructure bank program and the trust may adopt rules and regulations to carry out these functions.

b. The trust shall also develop a formal relationship with the Department of Transportation for purposes, including, but not limited to, the evaluation of potential transportation projects, fulfilling federal regulations regarding capital projects, coordinating with metropolitan planning organizations, ensuring that any projects obtaining assistance are consistent with the Statewide capital investment strategy, monitoring borrower creditworthiness standards, and advancing local, regional, and Statewide transportation objectives.

41. (New section) a. The Commissioner of Transportation shall, for each fiscal year, develop a priority system for transportation projects. The Commissioner of Transportation shall set forth a Transportation Financing Program Project Priority List for long-term funding by the trust for each fiscal year and shall include the aggregate amount of funds of the trust to be authorized for these purposes. The Commissioner of Transportation may include a transportation project on the Transportation Financing Program Project Priority List if it meets the eligibility requirements for funding pursuant to Pub.L.114-94, the “Fixing America’s Transportation Act,” or any successor legislation. The Transportation Financing Program Project Priority List shall include a description of each project and an explanation of the manner in which projects are ranked. The Transportation Financing Program Project Priority List for the ensuing fiscal year shall be submitted to the Legislature on or before January 15 of each year.

b. The Commissioner of Transportation shall set forth an Interim Transportation Financing Program Project Eligibility List for short-term funding by the trust and shall include the aggregate amount of funds to be authorized for these purposes. The Interim Transportation Financing Program Project Eligibility List shall
consist of Transportation Financing Program Project Priority List projects certified by the Department of Transportation that have commenced construction and demonstrated to the department a high likelihood of construction completion on or before the end of the ensuing fiscal year. The Interim Transportation Financing Program Project Eligibility List established pursuant to this subsection shall be considered by the budget committees of each House of the Legislature for inclusion in the annual appropriations act. On or before June 30 of each year, the Legislature shall include the Interim Transportation Financing Program Project Eligibility List with any modifications in the annual appropriations act, including any amendatory or supplementary provisions thereto, which act shall include the authorization of an aggregate amount of funds of the trust to be expended for loans and guarantees for the specific transportation projects, including the individual amounts therefor, on the list. The initial Interim Transportation Financing Program Project Eligibility List for the ensuing fiscal year shall be submitted to the Legislature on or before July 1 of each year. The Secretary and the Clerk shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly, respectively. Incremental revisions or supplements to the Interim Transportation Financing Program Project Eligibility List may be submitted to the Legislature as provided in subsection e. of section 9 of P.L.1985 c.334 (C.58:11B-9).

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

d. The trust shall not expend any money for a long-term loan or guarantee during a fiscal year for any transportation project unless the expenditure is authorized pursuant to a State annual appropriations act of the current or three immediate preceding fiscal years as provided in the provisions of this section, or as otherwise set forth in the State’s annual appropriations act.

e. The trust shall submit to the Secretary of the Senate and the Clerk of the General Assembly on or before January 15 of each year a report which shall identify the transportation projects financed during the prior fiscal year, including a project description, the amount of the loan provided for each project, and the duration of each loan.

f. The source of projects for the Transportation Financing Program Project Priority List and the Interim Transportation Financing Program Project Eligibility List shall be: (1) applications made by counties and municipalities seeking aid through the State Transportation Infrastructure Bank Fund in accordance with section 25 of P.L.1984, c.73 (C.27:1B-25) and the procedures established
therein for the allocation of State aid to counties and municipalities through the local aid program, and (2) eligible projects within the most recent 10-year Statewide Transportation Improvement Program as issued by the Department of Transportation. Projects deriving from either of these sources shall identify a consistent source of revenue that will be utilized to repay any loan financing provided by the trust either from the project itself or from the sponsoring local government unit or consortia thereof that will be receiving assistance.

42. (New section) a. On or before May 15 of each year, the trust shall submit to the Speaker of the General Assembly and the President of the Senate a financial plan designed to implement the financing of the transportation projects either on the Transportation Financing Program Project Priority List or the Interim Transportation Financing Program Project Eligibility List approved pursuant to P.L. , c. (pending before the Legislature as this bill) or as otherwise approved by the Legislature. The financial plan shall list the bonds, notes or other obligations of the trust which the trust intends to issue, including the amounts thereof and the terms and conditions thereof, a list of loans to be made to local government units or private persons, including the terms and conditions thereof and the anticipated rate of interest per annum and repayment schedule therefor, and a list of loan guarantees or contracts to guarantee the payment of all or a portion of the principal and interest on bonds, notes or other obligations issued by a local government unit to finance the cost of a transportation project, and the terms and conditions thereof.

The financial plan shall also set forth a complete operating and financial statement covering proposed operations through the fund during the forthcoming fiscal year, including amounts of income from all sources, and the uniform schedule of fees and charges established by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5), and the amounts to be derived therefrom, and shall summarize the status of each transportation project for which loans or guarantees have been made by the trust, and shall describe major impediments to the accomplishment of the planned transportation projects.

b. On or before June 30 of each year the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution. If the Legislature rejects the financial plan, the project list shall be removed from the annual appropriations act and the trust shall not undertake any of the proposed activities contained therein. If the Legislature takes no action on or before June 30, the financial plan shall be deemed approved.

c. The financial plan for the State Transportation Infrastructure Bank Fund shall not be eligible for inclusion in a consolidated
financial plan as established in section 27 of P.L.1997, c.224 (C.58:11B-22.2).

43. (New section) Nothing in this act shall decrease, diminish, lessen, or otherwise reduce allocations made to counties and municipalities pursuant to section 25 of P.L.1984, c.73 (C.27:1B-25 et seq.), except for amounts above $7,500,000 each year allocated into the Local Aid Infrastructure Fund, which may be used to capitalize the State Transportation Infrastructure Bank.

44. Sections 1 through 4 of P.L.1997, c.142 (C.27:1B-21.1 through C.27:1B-21.13) are repealed.

45. This act shall take effect on July 1, 2016, but sections 10 through 44 shall remain inoperative until the appropriation by the State of eligible federal or State funds into the State Infrastructure Bank Fund pursuant to section 39 of P.L. , c. (pending before the Legislature as this bill) and funds are appropriated to the trust to cover administrative and operational expenses related to the State Transportation Infrastructure Bank, and section 2 shall take effect on the same day that Assembly Concurrent Resolution No.1 of 2015, a constitutional amendment to Article VIII, section II, paragraph 4 of the New Jersey Constitution, takes effect.

STATEMENT

This bill amends the “New Jersey Transportation Trust Fund Authority Act of 1984” to make changes necessary to support the State’s Capital Transportation Program for Fiscal Years 2017 through 2026.

This bill will provide the New Jersey Transportation Trust Fund Authority (authority) with $15 billion in bonding authorization and authorizes $20 billion in State transportation capital program expenditures for a ten year period from Fiscal Year (FY) 2017 through Fiscal Year 2026. The bill allows for an average annual transportation capital program size of $2 billion per year, an increase from the $1.6 billion program amount in the previous capital program. The bill also anticipates the revenue necessary to finance an average of $500 million per year of “pay-as-you-go” funding, which is funding available for projects that do not rely on debt or non-State resources. In the previous four years, the amount of “pay-as-you-go” funding was less than $10 million per year.

The bill provides that through Fiscal Year 2026, if the amount of revenue generated by the Petroleum Products Gross Receipts Tax in any year is greater than the amount of revenue generated in Fiscal Year 2018, then the capital program authorization shall be increased by an amount equivalent to that revenue difference. In addition, the
The bill requires that amount of additional revenue to be dedicated to projects expanding the mass transit system in this State.

The bill dedicates all revenues from the Motor Fuels Tax and the Petroleum Products Gross Receipts Tax to the Transportation Trust Fund. This language mirrors the language proposed in Assembly Concurrent Resolution No. 1 of 2015 that is scheduled to appear as a ballot question in the November 2016 general election, and would constitutionally dedicate these revenues in addition to the statutory dedication that is provided for in this bill.

The bill requires the authority to create a website to provide active monitoring of authority projects to be reported at least monthly to the public as well as a single location for public documentation related to the project. The reporting requirements for the website require real time reporting of construction projects and any potential sources of delays or increased cost.

The bill also incorporates bond premiums into the calculation of the authority’s bonding cap, so that the bonding cap reflects the total amount of money generated by a bond issuance, rather than the par amount of bonds issued. This reflects the real amount of borrowing taking place in a bond issuance.

The bill also creates a “Transportation Trust Fund Account Subaccount for Capital Reserves.” This subaccount will hold excess revenues which are constitutionally dedicated to the Transportation Trust Fund Account and will be deposited after making authority debt service payments payable in a given fiscal year, and after transferring to the “Special Transportation Fund” the annually appropriated amount of “pay-as-you-go” funding which is money appropriated for expenses of the State transportation capital program that does not derive from borrowing. Amounts placed into this fund are intended to ensure that the Transportation Trust Fund is sufficiently capitalized to support the funding needs of the State transportation capital program in the final years of the 10 year capital plan, and to improve the financial position of the authority by maintaining a capital reserve that can insulate the authority against any variability in the collection of revenues dedicated to the authority.

The bill increases the amount of information that is required to be reported in the annual Transportation Capital Program to better reflect the information currently provided by the Department of Transportation (DOT) and to more closely reflect the information provided in the federally required State Transportation Improvement Program document.

The bill converts the Financial Policy Review Board (board) into the Transportation Policy Review Board. The board is expanded to nine members, given expanded responsibilities to independently analyze and report on the cost effectiveness of spending in the transportation capital program, conduct and commission research on best practices in the areas of transportation and public
transportation construction, planning, finance, and engineering, and
to provide policy recommendations to the Legislature on the best
ways to organize the capital program and appropriate capital
program funds. The board is also to meet before the Senate Budget
and Appropriations Committee, Assembly Budget Committee,
Assembly Transportation, Public Works, and Independent
Authorities Committee, and Senate Transportation Committee at
least one time each year, and to perform research and provide
policy recommendations to the Legislature as requested.

The board is required to submit to the Governor and Legislature,
no later than April 1, 2017, a report concerning the taxation of
motor vehicles that are powered by a fuel source that is not subject
to the Motor Fuel Tax Act or Petroleum Products Gross Receipts
Tax Act, and is required to include a new system of taxation to
ensure that all vehicles operating on the highways of this State
contribute in an equitable fashion to the cost of maintaining the
State transportation system.

By April 1, 2017, the board is to provide the Legislature with
recommendations on improving the coordination between DOT and
the utility companies when utility facilities must be relocated to
accommodate an infrastructure project. The new system is to
minimize the cost of infrastructure projects and for the utility
companies.

The bill establishes the Annual Transportation Capital Program
Approval Committee. The committee is to ensure that Legislative
input is provided in the process of selecting transportation capital
projects that are funded through the Transportation Trust Fund
Account. The committee is to consist of the Commissioner of
Transportation, and three public members appointed by the
Governor upon the joint recommendation of the Senate President
and the Speaker of the General Assembly; one from certain counties
of northern New Jersey, one from certain counties of central New
Jersey, and one from certain counties of southern New Jersey. Each
member will serve a three year term. The committee is to issue a
certification each year known as the Annual Transportation Capital
Program Approval Certification, which all four members are
required to approve, or the Legislature is prohibited from
appropriating money to support new transportation projects for that
fiscal year, until the certification has been approved.

The bill requires an annual capital program appropriation of $25
million per year to support freight rail projects. The current capital
program includes an $8 million appropriation for the State rail
freight assistance program. This requirement represents a $17
million increase in freight rail projects over FY 2016.

The bill also increases the size of the local aid program to $400
million per year and adjusts the allocation of funds in the program
so that the Local Aid Infrastructure Fund is funded at seven percent
of the total or $28 million per year, up from a proposed $7.5 million
for FY 2017; the county aid program is funded at 37.5 percent of
the total or $150 million per year, up from a proposed $78.75
million for FY 2017; the municipal aid program is funded at 37.5
percent of the total or $150 million with $10 million being sub-
allocated to the municipal aid urban aid program, compared with
$78.5 million program proposed for FY 2017 with $5 million being
sub-allocated to the municipal aid urban aid program. The bill
creates a “Local Bridges Fund” which mirrors the capital program
line item for “Local Bridges, Future Needs” and provides 11
percent of total funding or $44 million per year, up from $25
million proposed for FY 2017. The bill also creates a “Local
Freight Impact Fund” which is newly created and intended to assist
counties and municipalities with the impacts on local transportation
infrastructure associated with the State’s freight industry which will
be funded at seven percent of the total or $28 million per year.
The bill allocates any amount above $7.5 million appropriated to
the Local Aid Infrastructure Fund in FY 2017 to be deposited into
the State Transportation Infrastructure Bank Fund.
The bill renames the New Jersey Environmental Infrastructure
Trust as the New Jersey Infrastructure Bank (“trust”) and
establishes a special non-lapsing, revolving fund in the trust to be
known as the State Transportation Infrastructure Bank Fund, which
is to replace the State Transportation Infrastructure Bank that
previously resided as a subaccount of the Special Transportation
Fund. The bill repeals the statutory language which created the
existing State Transportation Infrastructure Bank.
The bill makes various changes to existing statutes related to the
trust in order to expand its mission from water and environmental
infrastructure projects, to include transportation projects. This bill
provides that the aggregates principal amount of bonds, notes or
other obligations of the trust is not to exceed $3.8 billion for all
purposes of the trust except the Disaster Relief Emergency
Financing Program. The bill requires that funds and accounts of the
trust be segregated in such a way as to prevent the mixing of
transportation monies and water or environmental infrastructure
monies.
The bill creates an interim financing program for transportation
projects similar the existing interim financing program for
environmental projects and establishes a Department of
Transportation Loan Origination Fee Fund within the trust.
Establishment of the State Transportation Infrastructure Bank
Program is required by federal law as a depository for federal
transportation infrastructure bank monies. The federal program
currently allows states to enter into agreements whereby monies in
the State Transportation Infrastructure Bank are loaned or used to
provide other financial assistance to public or private entities for the
planning, acquisition, engineering, construction, reconstruction,
repair, and rehabilitation of a transportation project or for any other purpose permitted under the federal program.

The bill also establishes an account to be established within the fund that only receives State funds so that grants can be issued without violating the terms of the federal program.

The program is to be administered by the trust with assistance from the DOT. The Commissioner of DOT is to become an ex-officio member of the board of directors for the trust, and the DOT is to be responsible for establishing the list of projects that the trust is to finance and the priority in which they are to be funded. The trust is also directed to collaborate with the DOT on the evaluation of potential transportation projects, fulfilling federal regulations regarding capital projects, coordinating with metropolitan planning organizations, ensuring that any projects obtaining assistance are consistent with the Statewide capital investment strategy, and advancing local, regional, and Statewide transportation objectives.

The Legislature is to consider the full DOT project list through the Senate Budget and Appropriations Committee and Assembly Budget Committee before its inclusion in the annual appropriations act. The Legislature is to receive a copy of the transportation financial plan developed by the trust for the implementation of the financing of the DOT project list. The Legislature will have until June 30th to reject the transportation financial plan through a concurrent resolution. If the Legislature rejects the financial plan, the project list is removed from the budget and the trust is prohibited from financing any transportation projects in that fiscal year. If the transportation financial plan is not rejected by June 30th, it is considered approved by the Legislature.

The State Transportation Infrastructure Bank Fund may be credited with State and federal funds appropriated to the fund, monetary donations made available to the State to support the State Transportation Infrastructure Bank Program, any monies received as repayment of the monies loaned or otherwise provided pursuant to the program, and interest earnings received on the monies in the fund, and other moneys the Legislature appropriates to the trust for deposit into the State Transportation Infrastructure Bank Fund to finance or refinance transportation loans issued from the fund.