

CHAPTER 92

AN ACT appropriating moneys to the Department of Environmental Protection for the purpose of making zero interest loans to project sponsors to finance a portion of the costs of construction of environmental infrastructure projects.

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

1. a. (1) There is appropriated to the Department of Environmental Protection from the Clean Water Fund - State Revolving Fund Accounts (hereinafter referred to as the "Clean Water State Revolving Fund Accounts") an amount equal to the Federal fiscal year 2000 capitalization grant made available to the State for clean water projects pursuant to the "Water Quality Act of 1987" (33 U.S.C. §1251 et seq.), and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Clean Water Act").

(2) There is appropriated to the Department of Environmental Protection the sum of \$415,900, an amount which is authorized as a hardship grant from the moneys made available to the State for clean water projects pursuant to the "Omnibus Consolidated Rescissions and Appropriations Act of 1996" Pub.L. 104-134, and any amendatory and supplementary acts thereto.

(3) There is appropriated to the Department of Environmental Protection from the Drinking Water State Revolving Fund an amount equal to the Federal fiscal year 2000 capitalization grant made available to the State for drinking water projects pursuant to the "Safe Drinking Water Act Amendments of 1996" Pub.L. 104-182, and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Safe Drinking Water Act").

The Department of Environmental Protection is authorized to transfer from the Clean Water State Revolving Fund Accounts to the Drinking Water State Revolving Fund an amount up to the maximum amount authorized to be transferred pursuant to the Federal Safe Drinking Water Act to meet present and future needs for the financing of eligible drinking water projects, and an amount equal to said maximum amount is hereby appropriated to the department for those purposes.

(4) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "Wastewater Treatment Fund" established pursuant to section 15 of the "Wastewater Treatment Bond Act of 1985," (P.L. 1985, c.329).

(5) There is appropriated to the Department of Environmental Protection the sum of \$5,000,000 from the "1992 Wastewater Treatment Fund" established pursuant to section 27 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," (P.L. 1992, c.88).

Any such amounts shall be for the purpose of making zero interest loans and a hardship grant as provided in paragraph (2) of this subsection, to the extent sufficient funds are available, to or on behalf of local government units or public water utilities (hereinafter referred to as "project sponsors") to finance a portion of the cost of construction of clean water projects and drinking water projects listed in sections 2 and 3 of this act, and for the purpose of implementing and administering the provisions of this act, to the extent permitted by the "Water Quality Act of 1987" (33 U.S.C. §1251 et seq.), the "Wastewater Treatment Bond Act of 1985" (P.L. 1985, c.329), the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992" (P.L. 1992, c.88), the "Stormwater Management and Combined Sewer Overflow Abatement Bond Act of 1989" (P.L. 1989, c.181), the Federal Safe Drinking Water Act, and any amendatory and supplementary acts thereto, and State law.

b. The department is authorized to make zero interest loans to or on behalf of the project sponsors for the environmental infrastructure projects listed in subsection a. of section 2 and subsection a. of section 3 of this act for clean water projects, and subsection b. of section 2 and subsection b. of section 3 of this act for drinking water projects, up to the individual amounts indicated and in the priority stated, except as any such amount may be reduced by the Commissioner of Environmental Protection pursuant to section 6 of this act, or if a project fails to meet the requirements of section 4 of this act.

c. The department is authorized to make zero interest loans to or on behalf of the project sponsors for the environmental infrastructure projects listed in sections 2 and 3 of this act under the same terms, conditions and requirements as set forth in this section from any unexpended balances of the amounts appropriated pursuant to section 1 of P.L. 1987, c.200, section 2 of

P.L.1988, c.133, section 1 of P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of P.L.1991, c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993, c.193, section 1 of P.L.1994, c.106, section 1 of P.L.1995, c.219, section 1 of P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2 of P.L.1998, c.84 or section 2 of P.L.1999, c.174, including amounts resulting from the final building cost reductions authorized pursuant to section 6 of P.L.1987, c.200, section 7 of P.L.1988, c.133, section 6 of P.L.1989, c.189, section 6 of P.L.1990, c.99, section 6 of P.L.1991, c.325, section 6 of P.L.1992, c.38, section 6 of P.L.1993, c.193, section 6 of P.L.1994, c.106, section 6 of P.L.1995, c.219, section 6 of P.L.1996, c.85, section 6 of P.L.1997, c.221, section 7 of P.L.1998, c.84 and section 6 of P.L.1999, c.174, and from any repayments of loans from the "Wastewater Treatment Fund," the "1992 Wastewater Treatment Fund," or amounts deposited therein during State fiscal year 2000 pursuant to the provisions of section 16 of P.L.1985, c.329, including any Clean Water State Revolving Fund Accounts contained within the "Wastewater Treatment Fund," and from any repayment of loans from the Drinking Water State Revolving Fund.

d. The department is authorized to make a hardship grant to or on behalf of Project No. 340292-01 (Swedesboro Borough) listed in subsection a. of section 3 of this act from funds made available pursuant to paragraph (2) of subsection a. of section 1 of this act, except if the project fails to meet the requirements of section 4 of this act.

2. a. (1) The department is authorized to expend funds for the purpose of making a supplemental zero interest loan to or on behalf of the project sponsor listed below for the following environmental infrastructure project:

<u>Project No.</u>	<u>Project Sponsor</u>	<u>Estimated Allowable Project Cost</u>
923-01-1	Hackensack City	\$1,600,000
	TOTAL	\$1,600,000

(2) The loan authorized in this subsection shall be made for the difference between the allowable loan amount required by this project based upon final building costs pursuant to section 6 of this act and the loan amount certified by the commissioner in State fiscal year 1998 and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the department pursuant to section 4 of P.L.1985, c.329. The loan authorized in this subsection shall be made to or on behalf of the project sponsor listed, up to the individual amount indicated and in the priority stated, to the extent sufficient funds are available, except as the project fails to meet the requirements of section 4 of this act.

(3) The zero interest loan for the project authorized in this subsection shall have priority over projects listed in subsection a. of section 3 of this act.

b. (1) The department is authorized to expend funds for the purpose of making a supplemental loan to or on behalf of the project sponsor listed below for the following environmental infrastructure project:

<u>Project No.</u>	<u>Project Sponsor</u>	<u>Estimated Allowable Project Cost</u>
0408001-007-1	Camden City	\$300,000
	TOTAL	\$300,000

(2) The loan authorized in this subsection shall be made for the difference between the allowable loan amount required by this project based upon final building costs pursuant to subsection a. of section 7 of this act and the loan amount certified by the commissioner in State fiscal year 2000, and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the department pursuant to section 5 of P.L.1981, c.261. The loan authorized in this subsection shall be made to or on behalf of the project sponsor listed,

up to the individual amount indicated and in the priority stated, to the extent sufficient funds are available, except as the project fails to meet the requirements of section 4 of this act.

(3) The loan authorized in this subsection shall have priority over the environmental infrastructure projects listed in subsection b. of section 3 of this act.

3. a. (1) The following environmental infrastructure projects shall be known and may be cited as the "State Fiscal Year 2001 Clean Water Project Priority List":

<u>Project Number</u>	<u>Project Sponsor</u>	<u>Estimated Allowable Project Cost</u>
928-02	Jersey City MUA	\$8,750,000
942-02	Elizabeth City	\$7,250,000
684-04	Northeast Monmouth County RSA	\$26,750,000
839-02	Franklin Township SA	\$4,450,000
403-04	Chatham Township	\$ 700,000
292-01	Swedesboro Borough	\$ 150,000
815-06	Newark City	\$1,100,000
336-06	Long Branch SA	\$6,400,000
640-05	Camden County MUA	\$3,500,000
291-01	Collingswood Borough	\$ 700,000
940-01	South River Borough	\$ 550,000
967-04	Matawan Borough	\$1,250,000
962-01	Stockton Borough	\$ 600,000
278-02	Union Beach Borough	\$ 400,000
547-06	Rahway Valley SA	\$ 800,000
443-04	Edgewater MUA	\$1,100,000
847-02	Cliffside Park Borough	\$ 850,000
926-01	Paterson City	\$6,050,000
399-24	Bayonne MUA	\$4,700,000
640-07	Camden County MUA	\$3,800,000
362-03	Harrison Township	\$1,950,000
372-23	Ocean County UA (CWPCF)	\$7,150,000
823-01	Watchung Borough	\$1,100,000
2003-01	Evesham Township	\$1,600,000
895-06	Winslow Township (Albion Area)	\$2,000,000
2006-01	Westwood Borough	\$2,750,000
948-03	Old Tappan Borough	\$2,150,000
2001-01	Atlantic County UA	\$2,250,000
394-01	Ridgefield Borough	\$ 550,000
949-04	Plainfield Area RSA	\$2,650,000
448-04	Brick Township MUA	\$ 800,000
960-01	North Plainfield Borough	\$1,400,000
946-03	Stafford Township MUA	\$2,250,000
944-02	Chesterfield Township	\$2,250,000
649-03	Pemberton Township	\$ 300,000
118-02	Keansburg Borough	\$1,450,000
266-01	South Hackensack Township	\$ 900,000
	TOTAL	\$113,350,000

(2) The department is authorized to expend funds for the purpose of making a hardship grant to or on behalf of Project No. 340292-01 (Swedesboro Borough) in the amount of \$415,900. The zero interest loan in the amount of \$150,000 authorized in paragraph (1) of subsection a. of this section for this project sponsor shall be subject to the same requirements as the other environmental infrastructure projects listed therein.

b. The following environmental infrastructure projects shall be known and may be cited as the "State Fiscal Year 2001 Drinking Water Project Priority List":

<u>Project Number</u>	<u>Project Sponsor</u>	<u>Estimated Allowable</u>
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		<u>Project Cost</u>
1613001-008	North Jersey District Water Supply Commission	\$ 700,000
2119001-001	Consumers New Jersey Water - Phillipsburg	\$ 700,000
2119001-003	Consumers New Jersey Water - Phillipsburg	\$ 550,000
1103001-001	Consumers New Jersey Water - Hamilton	\$ 250,000
0415002-002	Consumers New Jersey Water - Blackwood	\$ 250,000
0704002-001-005	Essex County UA	\$2,000,000
0436007-001/2	Winslow Township	\$3,050,000
1223001-001	South River Borough	\$1,300,000
1223001-002	South River Borough	\$2,000,000
1808001-002	Franklin Township	\$1,100,000
0604001-002/4	Middlesex Water Company (Fortescue Realty Company)	\$ 950,000
0408001-002	Camden City	\$3,500,000
0408001-008	Camden City	\$1,700,000
0408001-005	Camden City	\$1,750,000
0408001-009	Camden City	\$ 2,900,000
0408001-011	Camden City	\$2,450,000
1707001-001	Pennsgrove Water Supply Company	\$ 300,000
0708001-001	Glen Ridge Borough	\$1,000,000
1906002-001	Franklin Borough	\$ 400,000
1601001-001	Bloomington Borough	\$ 250,000
0713001-005	Montclair Township	\$ 900,000
1912001-003/4	Hopatcong Borough	\$ 300,000
1912001-006	Hopatcong Borough	\$ 250,000
0324001-001	Mount Laurel Township MUA	\$1,100,000
	TOTAL	\$29,650,000

4. Any loan or hardship grant made by the Department of Environmental Protection pursuant to this act shall be subject to the following requirements:

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

b. The loan amount shall not exceed 50% of the allowable project cost of the environmental infrastructure facility;

c. The loan shall be repaid within a period not to exceed 23 years of the making of the loan;

d. The loan shall be conditioned upon approval of a loan from the New Jersey Environmental Infrastructure Trust pursuant to P.L.2000, c.93;

e. The loan shall be subject to any other terms and conditions as may be established by the commissioner and approved by the State Treasurer, which may include, notwithstanding any other provision of law to the contrary, subordination of a loan authorized in this act to loans made by the trust pursuant to P.L.2000, c.93 or to administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

5. The priority lists and authorization for the making of loans pursuant to sections 2 and 3 of this act shall expire on July 1, 2001, and any project sponsor which has not executed and delivered a loan agreement with the department for a loan authorized in this act shall no longer be entitled to that loan.

6. The Commissioner of Environmental Protection is authorized to reduce or increase the individual amount of loan funds made available to or on behalf of project sponsors pursuant to sections 2 and 3 of this act based upon final building costs defined in and determined in accordance with rules and regulations adopted by the commissioner pursuant to section 4 of P.L.1985, c.329, section 11 of P.L.1977, c.224 (C.58:12A-11) or section 5 of P.L.1981, c.261, provided that the total loan amount does not exceed the original loan amount.

7. The expenditure of the funds appropriated by this act is subject to the provisions and conditions of P.L.1977, c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223 or P.L.1997, c.225, and the rules and regulations adopted by the commissioner pursuant thereto, and the provisions of the Federal Clean Water Act or the Federal Safe Drinking Water Act, as appropriate.

8. The Department of Environmental Protection shall provide general technical assistance to any project sponsor requesting assistance regarding environmental infrastructure project development or applications for funds for a project.

9. a. Prior to repayment to the "Wastewater Treatment Fund" pursuant to the provisions of section 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater Treatment Fund" pursuant to the provisions of section 28 of P.L.1992, c.88, prior to repayment to the Drinking Water State Revolving Fund, prior to repayment to the "Stormwater Management and Combined Sewer Overflow Abatement Fund" pursuant to the provisions of section 15 of P.L.1989, c.181, or prior to repayment to the "Water Supply Fund" pursuant to the provisions of section 15 of P.L.1981, c.261, repayments of loans made pursuant to these acts may be utilized by the New Jersey Environmental Infrastructure Trust established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and supplemented by P.L.1997, c.224, under terms and conditions established by the commissioner and trust, and approved by the State Treasurer, and consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and federal tax, environmental or securities law, to the extent necessary to secure repayment of trust bonds issued to finance loans approved pursuant to P.L.2000, c.93, and to secure the administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5) by the project sponsors receiving trust loans.

b. Prior to repayment to the "Wastewater Treatment Fund" pursuant to the provisions of section 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater Treatment Fund" pursuant to the provisions of section 28 of P.L.1992, c.88, prior to repayment to the Drinking Water State Revolving Fund or prior to repayment to the "Stormwater Management and Combined Sewer Overflow Abatement Fund" pursuant to the provisions of section 15 of P.L.1989, c.181, the trust is further authorized to utilize repayments of loans made pursuant to P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38, P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174 or P.L.2000, c. (pending in the Legislature as Senate Bill No. 1320 of 2000 and Assembly Bill No. 2486 of 2000) to secure repayment of trust bonds issued to finance loans approved pursuant to P.L.1995, c.218, P.L.1996, c.87, P.L.1997, c.222, P.L.1998, c.85, P.L.1999, c.173 or P.L.2000, c.93, and to secure the administrative fees payable to the trust under these loans pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

c. To the extent that any loan repayment sums are used to satisfy any trust bond repayment or administrative fee payment deficiencies, the trust shall repay such sums to the department for deposit into the "Wastewater Treatment Fund," the "1992 Wastewater Treatment Fund," the Drinking Water State Revolving Fund or the "Stormwater Management and Combined Sewer Overflow Abatement Fund," as appropriate, from amounts received by or on behalf of the trust from project sponsors causing any such deficiency.

10. The Commissioner of Environmental Protection is authorized to enter into capitalization grant agreements as may be required pursuant to the Federal Clean Water Act or the Federal Safe Drinking Water Act.

11. There is appropriated to the New Jersey Environmental Infrastructure Trust established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) from repayments of loans deposited in any account, including the Clean Water State Revolving Fund Accounts contained within the "Wastewater Treatment Fund," the "1992 Wastewater Treatment Fund," the "Water Supply Fund," the "Stormwater Management and Combined Sewer Overflow Abatement Fund," or the Drinking Water State Revolving Fund, as appropriate, and from any net earnings received from

the investment and reinvestment of such deposits, such sums as the chairman of the trust shall certify to the Commissioner of Environmental Protection to be necessary and appropriate for deposit into one or more reserve funds established by the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).

12. This act shall take effect immediately.

Approved August 29, 2000.