

CHAPTER 222

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 2001 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 from the Drinking Water State Revolving Fund an amount equal to the Federal fiscal year 2001 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.

(3) 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).

(4) 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).

(5) There is appropriated to the Department of Environmental Protection the sum of \$40,000,000 from the "Water Supply Fund" established pursuant to section 14 of the "Water Supply Bond Act of 1981," (P.L.1981, c.261), as amended by P.L.1983, c.355 and amended and supplemented by P.L.1997, c.223.

Any such amounts shall be for the purpose of making zero interest loans, 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 "Water Supply Bond Act of 1981," (P.L.1981, c.261), 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, section 2 of P.L.1999, c.174, or section 2 of P.L.2000, c.92, 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, section 6 of P.L.1999, c.174 and section 6 of P.L.2000, c.92, and from any repayments of loans from the "Water Supply Fund," and from any repayments of loans from the "Wastewater Treatment Fund," the "1992 Wastewater Treatment Fund," or amounts deposited therein during State fiscal year 2001 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.

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

Project Number	Project Sponsor	Estimated Allowable Loan Amount
809-03/4-1	Atlantic County UA	\$2,350,000
809-07-1	Atlantic County UA	\$ 500,000
287-01-1	Oaklyn Borough	\$ 150,000
839-02-1	Franklin Township SA	\$1,600,000
118-02-1	Keansburg Borough	\$ 500,000
	TOTAL	\$5,100,000

(2) The loans authorized in this subsection shall be made for the difference between the allowable loan amounts required by these projects based upon final building costs pursuant to section 6 of this act and the loan amounts certified by the commissioner in State fiscal years 1996, 1998, 2000 and 2001 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 loans authorized in this subsection shall be made to or on behalf of the project sponsors listed, up to the individual amount indicated and in the priority stated, to the extent sufficient funds are available, except as any project fails to meet the requirements of section 4 of this act.

(3) The zero interest loans for the projects 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:

Project Number	Project Sponsor	Estimated Allowable Loan Amount
0103001-001/5-1	Brigantine City	\$100,000
	TOTAL	\$100,000

(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,

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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. The following environmental infrastructure projects shall be known and may be cited as the "State Fiscal Year 2002 Clean Water Project Priority List":

Project Number	Project Sponsor	Estimated Allowable Loan Amount
488-03	Hopatcong Borough	\$2,800,000
701-03	West Milford Township MUA	\$850,000
928-02	Jersey City MUA	\$8,150,000
942-03	Elizabeth City	\$4,550,000
750-05	Ocean Township SA	\$4,300,000
362-03	Harrison Township (Gloucester)	\$2,050,000
372-24	Ocean County UA	\$5,600,000
639-03	Ridgewood Village	\$10,150,000
680-06	Middlesex County UA	\$17,700,000
2007-01/2	Burlington County Board of Chosen Freeholders	\$9,750,000
3004-01	Mercer County	\$1,900,000
322-02	Passaic Valley Water Commission	\$5,600,000
526-07	Gloucester County UA	\$2,350,000
3027-01	Edison Township	\$11,900,000
3010-01	Brick Township	\$3,450,000
3017-01	Franklin Township (Somerset)	\$400,000
2003-01	Evesham Township	\$1,750,000
3023-01	Evesham Township	\$4,550,000
3006-01	Bridgewater Township	\$1,000,000
895-06	Winslow Township (Albion Area)	\$1,950,000
3002-01	Roxbury Township	\$450,000
3005-01	West Windsor Township	\$2,200,000
3030-01	Montville Township	\$2,100,000
3034-01	Readington Township	\$800,000
3008-01	Princeton Township	\$1,000,000
3003-01	Hanover Township	\$1,150,000
3028-01	Holmdel Township	\$2,100,000
3012-01	Clinton Township	\$13,450,000
3020-01	Washington Township (Mercer)	\$1,450,000
3033-01	Edgewater Borough	\$300,000
3026-01	Eastampton Township	\$6,000,000
3013-01	Allamuchy Township	\$4,500,000
875-01	Voorhees Township	\$2,950,000
2001-01	Atlantic County UA	\$3,400,000
2008-02	Sussex County MUA	\$3,200,000
641-01	Camden City	\$6,650,000
399-25	Bayonne MUA	\$1,800,000
448-04	Brick Township MUA	\$1,600,000
364-02	Gloucester Township MUA	\$1,200,000
293-01	Union Township	\$150,000
259-03	Kearny MUA	\$750,000
550-04	Cumberland County UA	\$1,100,000
545-04	Glassboro Borough	\$1,900,000
291-02	Collingswood Borough	\$700,000
385-02	Berkeley Heights Township	\$1,000,000
958-03	Gloucester City	\$800,000
163-01	Waterford Township MUA	\$1,000,000
827-01	Brigantine City	\$650,000
967-04	Matawan Borough	\$1,400,000
666-02	Margate City	\$350,000
944-02	Chesterfield Township	\$3,000,000
258-02	Cape May City	\$300,000

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375-01	Hainesport Township	\$7,250,000
366-04	Camden City	\$2,450,000
437-11	New Brunswick City	\$2,350,000
649-03	Pemberton Township	\$400,000
870-03	Pennsville Township	\$1,000,000
161-01	Lumberton Township	\$1,800,000
827-02	Brigantine City	\$200,000
	TOTAL	\$185,600,000

b. The following environmental infrastructure projects shall be known and may be cited as the "State Fiscal Year 2002 Drinking Water Project Priority List":

Project Number	Project Sponsor	Estimated Allowable Loan Amount
0601001-001	Bridgeton City	\$950,000
0705001-001	East Orange City	\$4,800,000
0408001-003	Camden City	\$3,400,000
0613001-001	Seabrook Water Corp.	\$550,000
0435003-004	Waterford Township MUA	\$1,200,000
0604001-002/4	Middlesex Water Company (Bayview Water Company)	\$900,000
0435003-003	Waterford Township MUA	\$950,000
1605002-005	Passaic Valley Water Commission	\$43,500,000
1707001-003	Pennsgrove Water Supply Company	\$350,000
0502001-003	Cape May City	\$250,000
0408001-012	Camden City	\$2,500,000
0822001-002	Woodbury City	\$1,600,000
1345001-002	New Jersey American Water Company - Monmouth	\$11,750,000
0424001-001	Merchantville-Pennsauken Water Commission	\$2,150,000
0704002-006	Essex County UA	\$1,350,000
0435003-002	Waterford Township MUA	\$700,000
1506001-001	Brick Township MUA	\$9,500,000
0116001-001	Margate City	\$200,000
1225001-006/7	Middlesex Water Company	\$2,550,000
1904001-001	Brookwood Musconetcong River POA	\$600,000
1429001-001	Parsippany-Troy Hills Township	\$350,000
0713001-005	Montclair Township	\$800,000
1615017-002	Wonder Lakes Properties, Inc.	\$100,000
1514001-003	New Jersey American Water Company - Lakewood	\$200,000
0508001-001	New Jersey American Water Company - Ocean City	\$100,000
0506010-001	New Jersey American Water Company - Neptune	\$50,000
2121001-001	New Jersey American Water Company - Washington (Warren)	\$50,000
0119002-002	New Jersey American Water Company - Atlantic	\$250,000
1533001-001	Barnegat Township	\$450,000
2103001-001	New Jersey American Water Company - Belvidere	\$50,000
1011001-001	New Jersey American Water Company - Frenchtown	\$50,000
0510001-001	Stone Harbor Borough	\$450,000
1429001-002	Parsippany-Troy Hills Township	\$600,000
1504001-002	Beachwood Borough	\$300,000
0327001-004	New Jersey American Water Company - Western Division	\$850,000
1208001-001	New Jersey American Water	

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1345001-001	Company - Jamesburg New Jersey American Water	\$100,000
0712001-002	Company - Monmouth New Jersey American Water	\$850,000
1502001-001	Company - Short Hills New Jersey American Water	\$700,000
1605001-001	Company - Ocean County New Jersey American Water	\$250,000
1502001-003	Company - Little Falls New Jersey American Water	\$100,000
0511001-001	Company - Ocean County New Jersey American Water	\$450,000
2004002-001	Company - Strathmere Watchung Borough	\$50,000
0720001-002	ECUA/Verona	\$300,000
	TOTAL	\$950,000
		\$98,150,000

4. Any loan 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.2001, c.224;

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.2001, c.224 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, 2002, 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.2001, c.224, 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, P.L.2000, c.92 or P.L.2001, c.222 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, P.L.2000, c.93 or P.L.2001, c.224, 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. 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, the sum of \$50,000,000 to establish a short-term or temporary revolving financing program pursuant to subsection d. of section 9 of

P.L.1985, c.334 (C.58:11B-9).

13. This act shall take effect immediately.

Approved August 24, 2001.