

CHAPTER 194

AN ACT concerning the New Jersey Infrastructure Bank and amending various parts of the statutory law.

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

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

C.58:11B-9 Loans to local governments.

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 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), 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, 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.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4). 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, including commercial paper issued through a competitive or negotiated process, 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 to be known as the "Interim Environmental Financing Program Fund" for the short-term or temporary loan financing or refinancing program to be known as the "Interim Environmental Financing Program." The monies in the fund shall be used for short-term or temporary loans for clean water and drinking water projects pursuant to the New Jersey Environmental Infrastructure Financing Program.

Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-9.5), 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; except a line of credit loan shall mature no later than the last day of the fifth succeeding fiscal year following the closing date of the line of credit loan or the last day of the third succeeding fiscal year following the date of construction certification following the closing date of the line of credit loan, whichever is sooner; and except a short-term or temporary loan made pursuant to this subsection for environmental planning and engineering design costs associated with long-term control plans for combined sewer overflow projects shall mature no later than the last day of the 10th 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 to be known as the "Interim Environmental Financing Program Project Priority List" in the form provided to the Legislature by the Commissioner of Environmental Protection.

The Interim Environmental Financing Program Project Priority List, including any revision thereof or supplement thereto, 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 as provided in section 20 of P.L.1985, c.334 (C.58:11B-20) and section 24 of P.L.1997, c.224 (C.58:11B-20.1). 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. The trust may revise or supplement the Interim Environmental Financing Program Project Priority List no more than four times during the fiscal year and shall submit the revised list to the Legislature when the revisions are made. Any environmental infrastructure project or the project sponsor thereof not identified in the Interim Environmental Financing Program Project Priority List shall not be eligible for a short-term or temporary loan from the Interim Environmental Financing Program Fund. The trust may issue short-term or temporary loans pursuant to this subsection only if a project is listed on an Interim Environmental Financing Program Project Priority List that has been submitted to the Legislature. No funds may be disbursed pursuant to this section for project activities prior to a determination and certification, in writing, from the Department of Environmental Protection, that the project activities satisfy the provisions of P.L.1985, c.332 (C.58:11B-1 et seq.).

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 authorities 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) or section 1 of P.L.2013, c.93 (C.58:11B-9.5), 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 authorities 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) or section 1 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other obligations issued by project sponsors to evidence such short-term or temporary loans, except for loans for environmental planning and engineering design costs associated with long-term control plans for combined sewer overflow projects as provided in subsection d. of this section, shall mature no later than the last day of the fifth 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. Any balances remaining in the Emergency Loan Fund established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1), the Planning and Design Fund established pursuant to section 1 of P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal Loan Fund established pursuant to section 5 of P.L.2009, c.103 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment Loan Fund established pursuant to section 1 of P.L.2014, c.28 (C.58:11B-9.6) after the date of enactment of P.L.2016, c.30 shall be transferred to the Interim Environmental Financing Program Fund, and any loan repayments to the trust of principal and interest or premium on loans made from those funds shall be credited to the Interim Environmental Financing Program Fund.

g. 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 Priority List for the ensuing fiscal year and eligible for approval pursuant to sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), 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 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), 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 ; except a line of credit loan shall mature no later than the last day of the fifth succeeding fiscal year following the closing date of the line of credit loan or the last day of the third succeeding fiscal year following the date of construction certification following the closing date of the line of credit loan, whichever is sooner. 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 Priority List to be known as the "Interim Transportation Financing Program Project Priority List" in the form provided to the Legislature by the Commissioner of Transportation.

The Interim Transportation Financing Program Project Priority 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 Priority 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 Priority 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 four 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 subsection for project activities prior to written notification of award concurrence from the Department of Transportation and certification in writing, from the trust, 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 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4).

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

C.58:11B-9.5 "Disaster Relief Emergency Financing Program Fund."

1. a. The trust shall create and establish a special fund 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 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 (i) a revolving line of credit or other similar financial vehicle, or (ii) a commercial paper financing program, 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.), P.L.1997, c.224 (C.58:11B-10.1 et al.), sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) 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.

Funds may only be disbursed for emergency short-term or temporary loans upon the determination and certification in writing by the department that any such project costs are 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 three fiscal years after 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 three fiscal years after 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 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), 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 Project Priority List pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative approvals. A project shall be eligible for emergency short-term or temporary loans pursuant to this section if it is identified on a Disaster Relief Emergency Financing Program Project Priority List no more than three years after the conditions that gave rise to a declaration by the Governor of a state of emergency. 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; except a line of credit loan shall mature no later than the last day of the fifth succeeding fiscal year following the closing date of the line of credit loan or the last day of the third succeeding fiscal year following the date of construction certification following the closing date of the line of credit loan, whichever is sooner.

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, provided that the project is identified on the Disaster Relief Emergency Financing Program project priority list to be known as the "Disaster Relief Emergency Financing Program Project Priority List" no later than three years after the date of the declaration by the Governor of a state of emergency in the form provided to the Legislature by the Commissioner of Environmental Protection. However, a project may be eligible for

funding pursuant to this section more than three years after the date of the declaration by the Governor of a state of emergency if the project was first included on a Disaster Relief Emergency Financing Program Project Priority List within three years after the date of the declaration by the Governor of a state of emergency and continues to be identified on the Disaster Relief Emergency Financing Program Project Priority List in the fiscal year in which the funding is issued. The Disaster Relief Emergency Financing Program Project Priority 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 Project Priority List submitted to the Legislature shall not be eligible for a short-term or temporary loan from the Disaster Relief Emergency Financing Program Fund.

d. The trust shall submit a report on the Disaster Emergency Financing Program to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.54:14-19.1) on or before January 15 of each year. The Secretary of the Senate and the Clerk of the General Assembly shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly, respectively. The report shall identify the wastewater treatment system and water supply projects financed during the prior fiscal year through the program including a project description, the amount of the Disaster Relief Emergency Financing Program loan provided for each project, and the duration of each loan.

3. Section 22 of P.L.2016, c.56 (C.58:11B-10.3) is amended to read as follows:

C.58:11B-10.3 Transportation Loan Origination Fee Fund.

22. a. There is established in the New Jersey Infrastructure Bank a special fund to be known as the Transportation Loan Origination Fee Fund.

The Transportation Loan Origination Fee Fund shall be credited with:

(1) moneys deposited into the fund as loan origination fees received by the trust and paid by loan applicants for transportation projects financed under the New Jersey Transportation Infrastructure Financing Program; and

(2) any interest accumulated on the amounts of the transportation loan origination fees.

b. Moneys in the Transportation Loan Origination Fee Fund shall be used by the trust to reimburse the trust and then the Department of Transportation for administrative and operating expenses incurred in administering the New Jersey Transportation Infrastructure Financing Program, except that the total amount expended by the trust for administrative and operating expenses in any fiscal year shall not exceed \$8,000,000. The amounts in the Transportation Loan Origination Fee Fund shall also be available for application by the trust for 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, "transportation loan origination fee" means the fee charged by the trust and financed under the transportation loan to pay a portion of the costs incurred by the trust or the Department of Transportation in the implementation of the New Jersey Transportation Infrastructure Financing Program.

4. Section 34 of P.L.2016, c.56 (C.58:11B-10.4) is amended to read as follows:

C.58:11B-10.4 State Transportation Infrastructure Bank Fund.

34. a. There is established in the New Jersey Infrastructure Bank a special fund to be known as the State Transportation Infrastructure Bank Fund. The monies in the fund shall

only be used for projects funded by the New Jersey Transportation Infrastructure Financing Program. 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 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) 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 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) 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. (Deleted by amendment, P.L.2019, c.194).

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.

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

C.58:11B-23 Expenditure of funds.

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.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) 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), 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 sections 35 through 37 of P.L.2016, c.56 (C.58:11B-10.5, C.58:11B-20.2, and C.58:11B-22.3).

c. The trust shall not apply for 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 seq.), and any amendatory or supplementary acts thereto, except the trust is expressly authorized to apply, with notice to the Department of Transportation, for funds under the Transportation Infrastructure Finance and Innovation Act (TIFIA) 23 U.S.C.

601 through 23 U.S.C. 609 as amended or superseded, and provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21) Pub. L. 112-141, the Fixing America's Surface Transportation Act (FAST Act) Pub. L. 114-94, the Transportation Equity Act for the 21st Century (TEA-21) Pub. L. 105-178, the Safe, Accountable, Flexible and Efficient Transportation Equity Act: a Legacy for User ("SAFETEA-LU") Pub. L. 109-59, and the Rail Safety Improvement Act of 2008 Pub. L. 110-432, or any subsequent law concerning federal surface transportation programs as applicable.

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.

Repayments of principal and interest on all federal funds for which the New Jersey Infrastructure Bank is expressly permitted to apply shall be the responsibility of the borrowers of New Jersey Infrastructure Bank loans issued utilizing those federal funds, and in no way shall it be the responsibility of the State of New Jersey or the Department of Transportation.

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

C.58:11B-26 Affirmative action programs; payment of prevailing wages.

26. a. The trust shall adopt 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.). 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 the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et seq.), and any regulations promulgated pursuant thereto provided, however, that the projects funded, in whole or in part, with federal funds, the percentage of such contracts awarded to small business concerns owned and controlled by socially and economically disadvantaged individuals shall equal the goal for participation set forth in section 644(g)(1)(A)(iv) of the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.644). For transportation financing program projects funded in whole with State funds, contracts for construction materials or services shall comply with the small business set aside regulations promulgated pursuant to section 15 of P.L.1983, c.482 (C.52:32-31).

b. The trust shall adopt 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.).

7. This act shall take effect immediately

Approved July 19, 2019.