

ASSEMBLY, No. 4327

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED NOVEMBER 14, 2016

Sponsored by:

Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Assemblywoman ELIZABETH MAHER MUOIO

District 15 (Hunterdon and Mercer)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman REED GUSCIORA

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

Assemblyman Rible, Assemblywoman N.Munoz, Assemblymen Wolfe, Clifton, Auth, Dancer, Assemblywoman Gove, Assemblymen Rumpf, C.A.Brown, Howarth, McGuckin, Webber, Assemblywoman B.DeCroce, Assemblymen DiMaio, Peterson, Assemblywoman Schepisi, Assemblymen S.Kean, Russo, Benson, Eustace, Bramnick, Ciattarelli, Rooney, Assemblywoman Rodriguez-Gregg and Assemblyman Carroll

SYNOPSIS

Amends list of environmental infrastructure projects approved for long-term funding for FY2017 to include new projects and revise allowable loan amounts for already approved projects.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 12/20/2016)

1 AN ACT concerning the financing of environmental infrastructure
2 projects in Fiscal Year 2017 and amending P.L.2016, c.32.

3

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

6

7 1. Section 1 of P.L.2016, c.32 is amended to read as follows:

8 1. a. (1) There is appropriated to the Department of
9 Environmental Protection from the "Clean Water State Revolving
10 Fund" established pursuant to section 1 of P.L.2009, c.77, an
11 amount equal to the federal fiscal year 2016 capitalization grant
12 made available to the State for clean water project loans pursuant to
13 the "Water Quality Act of 1987" (33 U.S.C. s.1251 et seq.), and any
14 amendatory and supplementary acts thereto (hereinafter referred to
15 as the "Federal Clean Water Act").

16 (2) There is appropriated to the Department of Environmental
17 Protection from the "Interim Financing Program Fund" created and
18 established by the New Jersey Environmental Infrastructure Trust
19 pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-
20 9) such amounts as may be necessary to supplement the sums
21 appropriated from the Clean Water State Revolving Fund for the
22 purposes of clean water project loans and providing the State match
23 as required or will be required for the award of the capitalization
24 grants made available to the State for clean water projects pursuant
25 to the Federal Clean Water Act.

26 (3) There is appropriated to the Department of Environmental
27 Protection from the "Disaster Relief Emergency Financing Program
28 Fund" created and established by the New Jersey Environmental
29 Infrastructure Trust pursuant to section 1 of P.L.2013, c.93
30 (C.58:11B-9.5) such amounts as may be necessary to supplement
31 the sums appropriated from the Clean Water State Revolving Fund
32 for the purposes of clean water project loans and providing the State
33 match as required or will be required for the award of the
34 capitalization grants made available to the State for clean water
35 projects pursuant to the Federal Clean Water Act.

36 (4) There is appropriated to the Department of Environmental
37 Protection from the "Loan Origination Fee Fund" created and
38 established by the New Jersey Environmental Infrastructure Trust
39 pursuant to section 1 of P.L.2005, c.202 (C.58:11B-10.2), and any
40 repayments of loans and interest therefrom, such amounts as may be
41 necessary to supplement the sums appropriated from the Clean
42 Water State Revolving Fund for the purposes of clean water project
43 loans and providing the State match as required or will be required
44 for the award of the capitalization grants made available to the State
45 for clean water projects pursuant to the Federal Clean Water Act.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 (5) There is appropriated to the Department of Environmental
2 Protection from the "Drinking Water State Revolving Fund"
3 established pursuant to section 1 of P.L.1998, c.84 an amount equal
4 to the federal fiscal year 2016 capitalization grant made available to
5 the State for drinking water projects pursuant to the "Safe Drinking
6 Water Act Amendments of 1996," Pub.L.104-182, and any
7 amendatory and supplementary acts thereto (hereinafter referred to
8 as the "Federal Safe Drinking Water Act").

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

17 The Department of Environmental Protection is authorized to
18 transfer from the Drinking Water State Revolving Fund to the Clean
19 Water State Revolving Fund an amount up to the maximum amount
20 authorized to be transferred pursuant to the Federal Clean Water
21 Act to meet present and future needs for the financing of eligible
22 clean water projects, and an amount equal to that maximum amount
23 is hereby appropriated to the department for those purposes.

24 (6) There is appropriated to the Department of Environmental
25 Protection the unappropriated balances from the Clean Water State
26 Revolving Fund, including the balances from the Federal Disaster
27 Relief Appropriations Act, and any repayments of loans and interest
28 therefrom, for the purposes of clean water project loans and
29 providing the State match as available on or before June 30, 2017,
30 as required or will be required for the award of the capitalization
31 grants made available to the State for clean water projects pursuant
32 to the Federal Clean Water Act.

33 (7) There is appropriated to the Department of Environmental
34 Protection the unappropriated balances from the "Wastewater
35 Treatment Fund" established pursuant to section 15 of the
36 "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329), and
37 any repayments of loans and interest therefrom, as available on or
38 before June 30, 2017, for the purposes of clean water project loans
39 and providing the State match as required or will be required for the
40 award of the capitalization grants made available to the State for
41 clean water projects pursuant to the Federal Clean Water Act.

42 (8) There is appropriated to the Department of Environmental
43 Protection the unappropriated balances from the "1992 Wastewater
44 Treatment Fund" established pursuant to section 27 of the "Green
45 Acres, Clean Water, Farmland and Historic Preservation Bond Act
46 of 1992" (P.L.1992, c.88), and any repayments of loans and interest
47 therefrom, as available on or before June 30, 2017, for the purposes
48 of clean water project loans and providing the State match as

1 required or will be required for the award of the capitalization
2 grants made available to the State for clean water projects pursuant
3 to the Federal Clean Water Act.

4 (9) There is appropriated to the Department of Environmental
5 Protection the unappropriated balances from the “2003 Water
6 Resources and Wastewater Treatment Fund” established pursuant to
7 subsection a. of section 19 of the “Dam, Lake, Stream, Flood
8 Control, Water Resources, and Wastewater Treatment Project Bond
9 Act of 2003” (P.L.2003, c.162), and any repayments of loans and
10 interest therefrom, as available on or before June 30, 2017, for the
11 purposes of clean water project loans and providing the State match
12 as required or will be required for the award of the capitalization
13 grants made available to the State for clean water projects pursuant
14 to the Federal Clean Water Act.

15 (10) There is appropriated to the Department of Environmental
16 Protection the unappropriated balances from the Drinking Water
17 State Revolving Fund, including the balances from the Disaster
18 Relief Appropriations Act of 2013, for the purposes of drinking
19 water project loans and any repayments of loans and interest
20 therefrom, that are or may become available on or before June 30,
21 2017.

22 (11) There is appropriated to the Department of Environmental
23 Protection such sums as may be needed from loan repayments and
24 interest earnings from the "Water Supply Fund" established
25 pursuant to section 14 of the “Water Supply Bond Act of 1981”
26 (P.L.1981, c.261) for the "Drinking Water State Revolving Fund
27 Match Accounts" contained within that fund for the purpose of
28 providing the State match as required or will be required for the
29 award of the capitalization grants made available to the State for
30 drinking water projects pursuant to the Federal Safe Drinking Water
31 Act.

32 (12) There is appropriated to the Department of Environmental
33 Protection from the “Interim Financing Program Fund” created and
34 established by the New Jersey Environmental Infrastructure Trust
35 pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-
36 9) such amounts as may be or become available on or before June
37 30, 2017, and any repayments of loans and interest therefrom, as
38 may be necessary to supplement the sums appropriated from the
39 Drinking Water State Revolving Fund for the purposes of drinking
40 water project loans and providing the State match as required or
41 will be required for the award of the capitalization grants made
42 available to the State for clean water projects pursuant to the
43 Federal Safe Drinking Water Act.

44 (13) There is appropriated to the Department of Environmental
45 Protection from the “Disaster Relief Emergency Financing Program
46 Fund" created and established by the New Jersey Environmental
47 Infrastructure Trust pursuant to section 1 of P.L.2013, c.93
48 (C.58:11B-9.5) such amounts as may be necessary to supplement

1 the sums appropriated from the Drinking Water State Revolving
2 Fund for the purposes of drinking water project loans and providing
3 the State match as required or will be required for the award of the
4 capitalization grants made available to the State for drinking water
5 projects pursuant to the Federal Safe Drinking Water Act.

6 (14) There is appropriated to the Department of Environmental
7 Protection from the "Loan Origination Fee Fund" created and
8 established by the New Jersey Environmental Infrastructure Trust
9 pursuant to section 1 of P.L.2005, c.202 (C.58:11B-10.2), and any
10 repayments of loans and interest therefrom, such amounts as may be
11 necessary to supplement the sums appropriated from the Drinking
12 Water State Revolving Fund for the purposes of drinking water
13 project loans and providing the State match as required or will be
14 required for the award of the capitalization grants made available to
15 the State for drinking water projects pursuant to the Federal Safe
16 Drinking Water Act.

17 (15) There is appropriated to the Department of Environmental
18 Protection such sums as may be received by the Department of
19 Community Affairs as the grantee from the United States
20 Department of Housing and Urban Development Community
21 Development Block Grant - Disaster Recovery Program (CDBG-
22 DR), as anticipated and upon availability on or before June 30,
23 2017, for the purposes of CDBG-DR eligible clean water and
24 drinking water project loans and providing the State match as
25 required or will be required for the award of the capitalization
26 grants made available to the State for clean water projects pursuant
27 to the Federal Clean Water Act and drinking water projects pursuant
28 to the Federal Safe Drinking Water Act, respectively.

29 (16) There is appropriated to the Department of Environmental
30 Protection such sums as may be or become available on or before
31 June 30, 2017, as repayments of drinking water project loans and
32 any interest therefrom from the "Water Supply Fund" established
33 pursuant to section 14 of the "Water Supply Bond Act of 1981"
34 (P.L.1981, c.261) for the purposes of drinking water project loans
35 and providing the State match as required or will be required for the
36 award of the capitalization grants made available to the State for
37 drinking water projects pursuant to the Federal Safe Drinking Water
38 Act.

39 (17) Of the sums appropriated to the Department of
40 Environmental Protection from the "Water Supply Fund" pursuant
41 to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70 and P.L.2003,
42 c.158, the department is authorized to transfer any unexpended
43 balances and any repayments of loans and interest therefrom as may
44 be or become available on or before June 30, 2017, in such amounts
45 as needed to the Drinking Water State Revolving Fund accounts
46 contained within the Water Supply Fund established for the
47 purposes of providing drinking water project loans and providing
48 the State match as required or will be required for the award of the

1 capitalization grants made available to the State for drinking water
2 projects pursuant to the Federal Safe Drinking Water Act.

3 (18) Of the sums appropriated to the Department of
4 Environmental Protection from the "1992 Wastewater Treatment
5 Fund" pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84,
6 P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222 and P.L.2002,
7 c.70, the department is authorized to transfer any unexpended
8 balances and any repayments of loans and interest therefrom as may
9 be or become available on or before June 30, 2017, in such amounts
10 as needed to the Clean Water State Revolving Fund accounts
11 contained within the 1992 Wastewater Treatment Fund for the
12 purposes of providing clean water project loans and providing the
13 State match as required or will be required for the award of the
14 capitalization grants made available to the State for clean water
15 projects pursuant to the Federal Clean Water Act.

16 (19) Of the sums appropriated to the Department of
17 Environmental Protection from the "2003 Water Resources and
18 Wastewater Treatment Fund" pursuant to P.L.2004, c.109, and
19 P.L.2007, c.139, the department is authorized to transfer any
20 unexpended balances and any repayments of loans and interest
21 therefrom as may be or become available on or before June 30,
22 2017, in such amounts as needed to the Clean Water State
23 Revolving Fund accounts contained within the 2003 Water
24 Resources and Wastewater Treatment Fund for the purposes of
25 providing clean water project loans and providing the State match
26 as required or will be required for the award of the capitalization
27 grants made available to the State for clean water projects pursuant
28 to the Federal Clean Water Act.

29 (20) There is appropriated to the Department of Environmental
30 Protection the sums deposited by the New Jersey Environmental
31 Infrastructure Trust into the Clean Water State Revolving Fund, the
32 "Wastewater Treatment Fund," the "1992 Wastewater Treatment
33 Fund," the "Water Supply Fund," the "Stormwater Management and
34 Combined Sewer Overflow Abatement Fund," established pursuant
35 to the "Stormwater Management and Combined Sewer Overflow
36 Abatement Bond Act of 1989" (P.L.1989, c.181), the "2003 Water
37 Resources and Wastewater Treatment Fund" and the Drinking
38 Water State Revolving Fund, as appropriate, pursuant to paragraph
39 (6) of subsection c. of section 1 of P.L.2016, c.31, as available on or
40 before June 30, 2017, for the purposes of providing clean water
41 project loans and drinking water project loans and providing the
42 State match as required or will be required for the award of the
43 capitalization grants made available to the State for clean water
44 projects pursuant to the Federal Clean Water Act and drinking water
45 projects pursuant to the Federal Safe Drinking Water Act.

46 Any such amounts shall be for the purpose of making zero
47 interest and principal forgiveness financing loans, to the extent
48 sufficient funds are available, to or on behalf of local government

1 units or public water utilities (hereinafter referred to as "project
2 sponsors") to finance a portion of the cost of construction of clean
3 water projects and drinking water projects listed in sections 2 and 3
4 of **[this act]** P.L.2016, c.32, as amended by P.L. , c. (pending
5 before the Legislature as this bill), and for the purpose of
6 implementing and administering the provisions of **[this act]**
7 P.L.2016, c.32, as amended by P.L. , c. (pending before the
8 Legislature as this bill), to the extent permitted by the Federal
9 Disaster Relief Appropriations Act, the Federal Clean Water Act,
10 and any amendatory and supplementary acts thereto, P.L.2009, c.77,
11 the "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329),
12 the "Water Supply Bond Act of 1981" (P.L.1981, c.261), the
13 "Stormwater Management and Combined Sewer Overflow
14 Abatement Bond Act of 1989" (P.L.1989, c.181), the "Green Acres,
15 Clean Water, Farmland and Historic Preservation Bond Act of
16 1992" (P.L.1992, c.88), the "Dam, Lake, Stream, Flood Control,
17 Water Resources, and Wastewater Treatment Project Bond Act of
18 2003" (P.L.2003, c.162), the Federal Safe Drinking Water Act, and
19 any amendatory and supplementary acts thereto, and State law.

20 b. The department is authorized to make zero interest and
21 principal forgiveness financing loans to or on behalf of the project
22 sponsors for the environmental infrastructure projects listed in
23 subsection a. of section 2 and subsection a. of section 3 of **[this act]**
24 P.L.2016, c.32, as amended by P.L. , c. (pending before the
25 Legislature as this bill), for clean water projects, up to the
26 individual amounts indicated and in the priority stated, to the extent
27 there are sufficient eligible project applications, and except that any
28 such amounts may be reduced if a project fails to meet the
29 requirements of section 4 or 5 of **[this act]** P.L.2016, c.32, as
30 amended by P.L. , c. (pending before the Legislature as this
31 bill), or by the Commissioner of Environmental Protection pursuant
32 to section 7 of **[this act]** P.L.2016, c.32, as amended by P.L. , c.
33 (pending before the Legislature as this bill), provided:

34 (1) a maximum of \$3 million in principal forgiveness loans shall
35 be issued to Barnegat Bay Watershed environmental infrastructure
36 projects as provided in subsection a. of section 3 of **[this act]**
37 P.L.2016, c.32, as amended by P.L. , c. (pending before the
38 Legislature as this bill), wherein principal forgiveness shall be a
39 minimum of 25 percent of the fund loan amount per project
40 sponsor;

41 (2) a maximum of \$60 million shall be issued to finance clean
42 water redevelopment projects as provided in subsection a. of section
43 3 of **[this act]** P.L.2016, c.32, as amended by P.L. , c. (pending
44 before the Legislature as this bill);

45 (3) a maximum of \$3 million in principal forgiveness loans shall
46 be issued as provided in subsection a. of section 3 of **[this act]**
47 P.L.2016, c.32, as amended by P.L. , c. (pending before the
48 Legislature as this bill), addressing combined sewer overflow

1 abatement projects, including projects that use practices that restore
2 natural hydrology through infiltration, evapotranspiration, or the
3 usage or harvesting of stormwater, wherein principal forgiveness
4 loans shall be a minimum of 25 percent of the fund loan amount per
5 project in an amount not to exceed \$1 million of principal
6 forgiveness per project sponsor; and

7 (4) those projects listed in subsection a. of section 2 **[of this act]**
8 and subsection a. of section 3 of **[this act]** P.L.2016, c.32, as
9 amended by P.L. _____, c. (pending before the Legislature as this
10 bill), that were previously identified in P.L.2015, c.108 are granted
11 continued priority status and shall be subject to the provisions of
12 P.L.2015, c.108, provided such projects receive short-term funding
13 prior to June 30, 2017.

14 c. The department is authorized to make zero interest and
15 principal forgiveness financing loans to or on behalf of the project
16 sponsors for the environmental infrastructure projects listed in
17 subsection b. of section 3 of **[this act]** P.L.2016, c.32, as amended
18 by P.L. _____, c. (pending before the Legislature as this bill), for
19 drinking water projects, up to the individual amounts indicated and
20 in the priority stated, provided:

21 (1) a maximum of 30 percent of the 2016 Drinking Water State
22 Revolving Fund loans not to exceed \$5 million may be issued as
23 provided in subsection b. of section 3 of **[this act]** P.L.2016, c.32,
24 as amended by P.L. _____, c. (pending before the Legislature as this
25 bill), for drinking water systems, as follows:

26 (a) up to \$500,000 of Drinking Water State Revolving Fund
27 loans shall be available for drinking water systems serving up to
28 500 residents wherein principal forgiveness shall be 100 percent of
29 the total loan amount;

30 (b) any unexpended funds available pursuant to subparagraph (a)
31 of this paragraph shall be available for drinking water systems
32 serving populations greater than 500 residents and up to 10,000
33 residents wherein principal forgiveness shall not exceed \$500,000
34 in aggregate when accounting for the principal forgiveness loans
35 issued pursuant to subparagraph (a) of this paragraph, and shall not
36 exceed 50 percent of the total loan amount per project sponsor in an
37 amount not to exceed \$1 million per project sponsor.

38 Loans for drinking water systems serving 500 or fewer residents
39 shall be given the highest priority, followed by systems serving
40 between 501 to 10,000 residents; and

41 (c) any unexpended funds available pursuant to subparagraphs
42 (a) and (b) of this paragraph shall be available for municipally-
43 owned drinking water systems needing treatment for a national
44 primary drinking water contaminant or a State-regulated primary
45 contaminant wherein the principal forgiveness shall not exceed 20
46 percent of the total loan amount not to exceed \$2 million per project
47 sponsor.

1 Loans may be made pursuant to this subsection to the extent
2 there are sufficient eligible project applications and as required or
3 will be required for the award of the capitalization grants made
4 available to the State for drinking water projects pursuant to the
5 Federal Safe Drinking Water Act. Any such amounts may be
6 reduced by the Commissioner of Environmental Protection pursuant
7 to section 7 of **[this act]** P.L.2016, c.32, as amended by P.L. , c.
8 (pending before the Legislature as this bill), or if a project fails to
9 meet the requirements of section 4 or 5 of **[this act]** P.L.2016, c.32,
10 as amended by P.L. , c. (pending before the Legislature as this
11 bill).

12 (2) Those projects listed in subsection b. of section 2 **[of this**
13 **act]** and subsection b. of section 3 of **[this act]** P.L.2016, c.32, as
14 amended by P.L. , c. (pending before the Legislature as this
15 bill), that were previously identified in P.L.2015, c.108 are granted
16 continued priority status and shall be subject to the provisions of
17 P.L.2015, c.108 provided such projects receive short-term funding
18 prior to June 30, 2016.

19 d. The department is authorized to make zero interest and
20 principal forgiveness financing loans to or on behalf of the project
21 sponsors for the environmental infrastructure projects listed in
22 sections 2 and 3 of **[this act]** P.L.2016, c.32, as amended by P.L. ,
23 c. (pending before the Legislature as this bill), under the same
24 terms, conditions and requirements as set forth in this section from
25 any unexpended balances of the amounts appropriated pursuant to
26 section 1 of P.L.1987, c.200, section 2 of P.L.1988, c.133, section 1
27 of P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of
28 P.L.1991, c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993,
29 c.193, section 1 of P.L.1994, c.106, section 1 of P.L.1995, c.219,
30 section 1 of P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2
31 of P.L.1998, c.84, section 2 of P.L.1999, c.174, section 2 of
32 P.L.2000, c.92, sections 1 and 2 of P.L.2001, c.222, sections 1 and
33 2 of P.L.2002, c.70, sections 1 and 2 of P.L.2003, c.158, sections 1
34 and 2 of P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196,
35 sections 1 and 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007,
36 c.139, sections 1 and 2 of P.L.2008, c.68, sections 1 and 2 of
37 P.L.2009, c.102, sections 1 and 2 of P.L.2010, c.63, sections 1 and
38 2 of P.L.2011, c.93, sections 1 and 2 of P.L.2012, c.43, sections 1
39 and 2 of P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, **[and]**
40 sections 1 and 2 of P.L.2015, c.108, and sections 1 and 2 of
41 P.L.2016, c.32, including amounts resulting from the low bid and
42 final building cost reductions authorized pursuant to section 6 of
43 P.L.1987, c.200, section 7 of P.L.1988, c.133, section 6 of
44 P.L.1989, c.189, section 6 of P.L.1990, c.99, section 6 of P.L.1991,
45 c.325, section 6 of P.L.1992, c.38, section 6 of P.L.1993, c.193,
46 section 6 of P.L.1994, c.106, section 6 of P.L.1995, c.219, section 6
47 of P.L.1996, c.85, section 6 of P.L.1997, c.221, section 7 of
48 P.L.1998, c.84, section 6 of P.L.1999, c.174, section 6 of P.L.2000,

1 c.92, section 6 of P.L.2001, c.222, section 6 of P.L.2002, c.70,
2 section 6 of P.L.2003, c.158, section 6 of P.L.2004, c.109, section 6
3 of P.L.2005, c.196, section 6 of P.L.2006, c.68, section 6 of
4 P.L.2007, c.139, section 6 of P.L.2008, c.68, section 7 of P.L.2009,
5 c.102, section 6 of P.L.2010, c.63, section 6 of P.L.2011, c.93,
6 section 6 of P.L.2012, c.43, section 6 of P.L.2013, c.95, section 6 of
7 P.L.2014, c.25, **[and]** section 6 of P.L.2015, c.108, and section 6 of
8 P.L.2016, c.32, and from any repayments of loans and interest from
9 the Clean Water State Revolving Fund, the "Wastewater Treatment
10 Fund," the "Water Supply Fund," the "1992 Wastewater Treatment
11 Fund," the "2003 Water Resources and Wastewater Treatment
12 Fund," and amounts deposited therein during State fiscal year 2015
13 and State fiscal year 2016 pursuant to the provisions of section 16
14 of P.L.1985, c.329, and section 2 of P.L.2009, c.77 and any
15 amendatory and supplementary acts thereto, including any Clean
16 Water State Revolving Fund Accounts contained within the
17 "Wastewater Treatment Fund," and from any repayment of loans
18 and interest from the Drinking Water State Revolving Fund.

19 e. The department is authorized to make zero interest and
20 principal forgiveness Sandy financing loans to or on behalf of the
21 project sponsors for the Sandy environmental infrastructure projects
22 listed in subsection a. of section 3 of **[this act]** P.L.2016, c.32, as
23 amended by P.L. , c. (pending before the Legislature as this
24 bill), for clean water projects and subsection b. of section 3 of **[this**
25 **act]** P.L.2016, c.32, as amended by P.L. , c. (pending before the
26 Legislatre as this bill) for drinking water projects, in a manner
27 consistent with the Federal Disaster Relief Appropriations Act, up
28 to the individual amounts indicated, except that any such amount
29 may be reduced by the Commissioner of Environmental Protection
30 pursuant to section 7 of **[this act]** P.L.2016, c.32, as amended by
31 P.L. , c. (pending before the Legislature as this bill), or if a
32 project fails to meet the requirements of section 4, 5, or 7 of **[this**
33 **act]** P.L.2016, c.32, as amended by P.L. , c. (pending before the
34 Legislatre as this bill), provided:

35 (1) a maximum of \$140 million shall be provided for Sandy
36 financing loans for clean water and \$30 million for drinking water
37 projects to provide financial assistance to communities affected by
38 the Storm Sandy, and for projects whose purpose is to reduce flood
39 damage risk and vulnerability or to enhance resiliency to rapid
40 hydrologic change or a natural disaster; and

41 (2) a maximum of \$10 million shall be provided in the form of
42 principal forgiveness loans for drinking water projects to provide
43 auxiliary power to publicly-owned facilities affected by Storm
44 Sandy.

45 f. For the purposes of **[this act]** P.L.2016, c.32, as amended by
46 P.L. , c. (pending before the Legislature as this bill):

47 "Base financing" means zero interest loans provided by the
48 Department of Environmental Protection from moneys made

1 available for the purposes of **[this act]** P.L.2016, c.32, as amended
 2 by P.L. , c. (pending before the Legislature as this bill), from
 3 any source other than funds received pursuant to the Federal
 4 Disaster Relief Appropriations Act, related State matching funds,
 5 and interest earned thereon.

6 "Federal Disaster Relief Appropriations Act" means the
 7 "Disaster Relief Appropriations of 2013" (Pub.L.113-2), and any
 8 amendatory and supplementary acts thereto.

9 "Sandy financing" or "Sandy funding" means grants, zero
 10 interest loans or principal forgiveness loans provided by the
 11 Department of Environmental Protection from funds made available
 12 to the State for clean water projects, clean water project match,
 13 drinking water projects or drinking water project match pursuant to
 14 the Federal Disaster Relief Appropriations Act.
 15 (cf: P.L.2016, c.32, s.1)

16
 17 2. Section 2 of P.L.2016, c.32 is amended to read as follows:

18 2. a. (1) The department is authorized to expend funds for the
 19 purpose of making supplemental zero interest loans to or on behalf
 20 of the project sponsors listed below for the following clean water
 21 environmental infrastructure projects:
 22

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Warren Township SA	S340964-01-1	\$75,000	\$100,000
<u>North Hudson SA</u>	<u>S340952-19-1</u>	<u>\$75,000</u>	<u>\$100,000</u>
North Hudson SA	S340952-20-1	\$675,000	\$900,000
<u>Ewing Lawrence SA</u>	<u>S340391-10-1</u>	<u>\$3,675,000</u>	<u>\$4,900,000</u>
Wanaque Valley RSA	S340780-04-1	[\$750,000] <u>\$1,125,000</u>	[\$1,000,000] <u>\$1,500,000</u>
Warren Township SA	S340964-02-1	[\$75,000] <u>\$262,500</u>	[\$100,000] <u>\$350,000</u>
Burlington Township	S340712-14-1	\$150,000	\$200,000
Ventnor City	S340667-02-1	\$3,750,000	\$5,000,000
Total projects: [6] 8		[\$5,475,000] \$9,787,500	[\$7,300,000] \$13,050,000

23
 24 (2) The loans authorized in this subsection shall be made for the
 25 difference between the allowable loan amounts required by these
 26 projects based upon final building costs pursuant to section 7 of
 27 **[this act]** P.L.2016, c.32, as amended by P.L. , c. (pending
 28 before the Legislature as this bill), and the loan amounts certified
 29 by the Commissioner of Environmental Protection in State fiscal

1 years 2015 and 2016 and for increased allowable costs as defined
 2 and determined in accordance with the rules and regulations
 3 adopted by the department pursuant to section 4 of P.L.1985, c.329.
 4 The loans authorized in this subsection shall be made to or on
 5 behalf of the project sponsors listed, up to the individual amounts
 6 indicated and in the priority stated, to the extent sufficient funds are
 7 available, except as a project fails to meet the requirements of
 8 section 4, 5, or 7 of **[this act] P.L.2016, c.32, as amended by P.L. ,**
 9 c. (pending before the Legislature as this bill).

10 (3) The zero interest loans for the projects authorized in this
 11 subsection shall have priority over projects listed in subsection a. of
 12 section 3 of **[this act] P.L.2016, c.32, as amended by P.L. , c.**
 13 (pending before the Legislature as this bill).

14 b. (1) The department is authorized to expend funds for the
 15 purpose of making supplemental loans to or on behalf of the project
 16 sponsors listed below for the following drinking water
 17 environmental infrastructure projects:
 18

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Gloucester City	0414001-020-1	\$975,000	\$1,300,000
North Jersey District Water Supply Comm.	1613001-017-1	[\$1,125,000] <u>\$2,700,000</u>	[\$1,500,000] <u>\$3,600,000</u>
Total Projects: 2		[\$2,100,000] \$3,675,000	[\$2,800,000] \$4,900,000

19
 20 (2) The loans authorized in this subsection shall be made for the
 21 difference between the allowable loan amount required by this
 22 project based upon final building costs pursuant to section 6 of **[this**
 23 **act] P.L.2016, c.32, as amended by P.L. , c. (pending before the**
 24 **Legislature as this bill),** and the loan amount certified by the
 25 Commissioner of Environmental Protection in State fiscal year 2015
 26 and 2016 and for increased allowable costs as defined and
 27 determined in accordance with the rules and regulations adopted by
 28 the department pursuant to section 5 of P.L.1981, c.261. The loans
 29 authorized in this subsection shall be made to or on behalf of the
 30 project sponsors listed, up to the individual amounts indicated and
 31 in the priority stated, to the extent sufficient funds are available,
 32 except as a project fails to meet the requirements of section 4, 5, or
 33 7 of **[this act] P.L.2016, c.32, as amended by P.L. , c. (pending**
 34 **before the Legislature as this bill).**

35 (3) The zero interest loans for the projects authorized in this
 36 subsection shall have priority over projects listed in subsection b. of

1 section 3 of **【this act】** P.L.2016, c.32, as amended by P.L. , c.
 2 (pending before the Legislature as this bill).

3 c. The Department of Environmental Protection is authorized
 4 to adjust the allowable Department of Environmental Protection
 5 loan amount for projects authorized in this section to between 25%
 6 and 75% of the total allowable loan amount.
 7 (cf: P.L.2016, c.32, s.2)

8
 9 3. Section 3 of P.L.2016, c.32 is amended to read as follows:

10 3. a. The following environmental infrastructure projects shall
 11 be known and may be cited as the "Storm Sandy and State Fiscal
 12 Year 2017 Clean Water Project Eligibility List":
 13

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Camden County MUA	S340640-15	\$6,825,000	\$9,100,000
Jersey City MUA	S340928-15	\$30,300,000	\$40,400,000
Elizabeth City	S340942-18	【\$3,525,000】 <u>\$6,150,000</u>	【\$4,700,000】 <u>\$8,200,000</u>
Ocean County UA	S340372-56	\$6,000,000	\$8,000,000
Bayshore RSA	S340697-05	\$21,150,000	\$28,200,000
Bayshore RSA	S340697-06	\$8,100,000	\$10,800,000
Atlantic County UA	S340809-27	\$2,400,000	\$3,200,000
<u>Atlantic County UA</u>	<u>S340809-23</u>	<u>\$5,250,000</u>	<u>\$7,000,000</u>
<u>Atlantic County UA</u>	<u>S340809-25</u>	<u>\$8,250,000</u>	<u>\$11,000,000</u>
<u>Atlantic County UA</u>	<u>S340809-26</u>	<u>\$1,125,000</u>	<u>\$1,500,000</u>
Middletown Township SA	S340097-04	\$15,675,000	\$20,900,000
Hoboken City	S340635-05	\$3,825,000	\$5,100,000
North Hudson SA	S340952-19	\$3,225,000	\$4,300,000
North Hudson SA	S340952-23	\$1,275,000	\$1,700,000
North Hudson SA	S340952-26	\$675,000	\$900,000
Cumberland County UA	S340550-07	\$937,500	\$1,250,000
Millville City	S340921-07	\$9,000,000	\$12,000,000
Passaic Valley SC	S340689-22	【\$2,250,000】 <u>\$2,925,000</u>	【\$3,000,000】 <u>\$3,900,000</u>
Passaic Valley SC	S340689-25	\$6,825,000	\$9,100,000
<u>Passaic Valley</u>	<u>S340689-31</u>	<u>\$3,000,000</u>	<u>\$4,000,000</u>

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<u>SC</u>			
<u>Passaic Valley</u> <u>SC</u>	<u>S340689-34</u>	<u>\$2,175,000</u>	<u>\$2,900,000</u>
Jersey City MUA	S340928-21	\$9,000,000	\$12,000,000
Bergen County UA	S340386-17	\$7,500,000	\$10,000,000
<u>Cinnaminson SA</u>	<u>S340170-07</u>	<u>\$6,750,000</u>	<u>\$9,000,000</u>
<u>Gloucester</u> <u>County UA</u>	<u>S340902-14</u>	<u>\$33,750,000</u>	<u>\$45,000,000</u>
<u>Stafford</u> <u>Township</u>	<u>S344100-03</u>	<u>\$4,200,000</u>	<u>\$5,600,000</u>
<u>Barnegat</u> <u>Township</u>	<u>S344130-01</u>	<u>\$337,500</u>	<u>\$450,000</u>
<u>Ocean County</u>	<u>S344080-04</u>	<u>\$825,000</u>	<u>\$1,100,000</u>
<u>Ocean County</u>	<u>S344080-10</u>	<u>\$180,000</u>	<u>\$240,000</u>
<u>Ocean County</u>	<u>S344080-11</u>	<u>\$252,000</u>	<u>\$336,000</u>
<u>Jackson</u> <u>Township</u>	<u>S344050-02</u>	<u>\$975,000</u>	<u>\$1,300,000</u>
Kearny MUA	S340259-07	\$4,875,000	\$6,500,000
Cumberland County UA	S340550-08	\$937,500	\$1,250,000
North Wildwood City	S340663-06	[\$10,350,000] <u>\$13,575,000</u>	[\$13,800,000] <u>\$18,100,000</u>
Willingboro MUA	S340132-08	\$1,350,000	\$1,800,000
Ocean County UA	S340372-57	\$2,100,000	\$2,800,000
Perth Amboy City	S340435-15	\$1,500,000	\$2,000,000
<u>Atlantic County</u> <u>UA</u>	<u>S340809-24</u>	<u>\$600,000</u>	<u>\$800,000</u>
Rockaway Valley RSA	S340821-06	\$4,875,000	\$6,500,000
Gloucester Township MUA	S340364-13	\$975,000	\$1,300,000
<u>Franklin</u> <u>Township SA</u>	<u>S340839-06</u>	<u>\$12,825,000</u>	<u>\$17,100,000</u>
South Monmouth RSA	S340377-03	\$2,250,000	\$3,000,000
South Monmouth RSA	S340377-04	\$1,200,000	\$1,600,000
South Monmouth RSA	S340377-05	\$2,550,000	\$3,400,000
Washington Township MUA	S340930-03	\$1,725,000	\$2,300,000
Washington Township MUA	S340930-04	\$825,000	\$1,100,000
Montclair Township	S340837-03	\$1,125,000	\$1,500,000
Ocean Township SA	S340750-12	\$3,000,000	\$4,000,000
Pine Hill MUA	S340274-05	\$1,275,000	\$1,700,000
Oradell Borough	S340835-04	\$1,125,000	\$1,500,000
Ocean Township	S340112-07	[\$1,875,000] <u>\$2,250,000</u>	[\$2,500,000] <u>\$3,000,000</u>
Long Beach	S340023-06	\$3,750,000	\$5,000,000

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Township			
<u>Somerset Raritan Valley SA</u>	<u>S340801-08</u>	<u>\$3,900,000</u>	<u>\$5,200,000</u>
<u>Gloucester City</u>	<u>S340958-07</u>	<u>\$900,000</u>	<u>\$1,200,000</u>
Hillsborough Township	S340099-02	\$1,200,000	\$1,600,000
<u>Manasquan Borough</u>	<u>S340450-02</u>	<u>\$1,350,000</u>	<u>\$1,800,000</u>
Burlington County	S340818-07	\$1,725,000	\$2,300,000
Carteret Borough	S340939-09	[\$6,450,000] <u>\$7,950,000</u>	[\$8,600,000] <u>\$10,600,000</u>
Hammonton Town	S340927-09	\$3,450,000	\$4,600,000
Sea Girt Borough	S340468-01	\$2,625,000	\$3,500,000
Ventnor City	S340667-03	\$1,200,000	\$1,600,000
<u>Cumberland County IA</u>	<u>S342015-03</u>	<u>\$12,075,000</u>	<u>\$16,100,000</u>
<u>Salem County IA</u>	<u>S342022-01</u>	<u>\$5,775,000</u>	<u>\$7,700,000</u>
Somerville Borough	S342013-01	\$13,050,000	\$17,400,000
Total Projects: [44] 64		[\$215,850,000] <u>\$328,744,500</u>	[\$287,800,000] <u>\$438,326,000</u>

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b. The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2017 Drinking Water Project Eligibility List":

Project Sponsor	Project No.	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Hammonton Town	0113001-011	\$1,425,000	\$1,900,000
Saddle Brook Township	0257001-002	\$1,350,000	\$1,800,000
Bordentown City	0303001-006	\$1,125,000	\$1,500,000
Bordentown City	0303001-007	\$2,100,000	\$2,800,000
Pemberton Township	0329004-004	\$900,000	\$1,200,000
Willingboro MUA	0338001-009	\$5,250,000	\$7,000,000
East Orange Water Commission	0705001-011	\$7,275,000	\$9,700,000
Newark City	0714001-015	[\$8,850,000] <u>\$13,650,000</u>	[\$11,800,000] <u>\$18,200,000</u>
Washington Township MUA	0818004-009	\$600,000	\$800,000
Washington Township MUA	0818004-010	\$1,425,000	\$1,900,000
Washington Township MUA	0818004-011	\$1,200,000	\$1,600,000

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Washington Township MUA	0818004-012	\$150,000	\$200,000
Washington Township MUA	0818004-014	\$675,000	\$900,000
Clinton Town	1005001-009	\$900,000	\$1,200,000
Hightstown Borough	1104001-007	\$300,000	\$400,000
Hightstown Borough	1104001-008	\$150,000	\$200,000
Pennington Borough	1108001-001	\$900,000	\$1,200,000
Milltown Borough	1214001-004	\$1,875,000	\$2,500,000
Middlesex Water Company	1225001-016	\$4,275,000	\$5,700,000
Middlesex Water Company	1225001-023	[\$5,550,000] <u>\$6,000,000</u>	[\$7,400,000] <u>\$8,000,000</u>
Berkeley Township MUA	1505004-007	\$525,000	\$700,000
Berkeley Township MUA	1505004-008	\$2,625,000	\$3,500,000
Jackson Township MUA	1511001-010	[\$4,425,000] <u>\$6,150,000</u>	[\$5,900,000] <u>\$8,200,000</u>
Jackson Township MUA	1511001-011	\$1,125,000	\$1,500,000
Little Egg Harbor MUA	1516001-003	\$3,450,000	\$4,600,000
Little Egg Harbor MUA	1516001-500	\$750,000	\$1,000,000
Ocean Township	1520001-007	\$975,000	\$1,300,000
Ocean Gate Borough	1521001-001	\$600,000	\$800,000
Stafford Township	1530004-018	\$1,800,000	\$2,400,000
Stafford Township	1530004-019	\$1,350,000	\$1,800,000
Manchester Utilities Authority	1603001-014	\$1,500,000	\$2,000,000
North Jersey District Water Supply Comm.	1613001-033	\$3,000,000	\$4,000,000
North Shore Water Association	1904004-002	\$337,500	\$450,000
Lake Glenwood Village	1922010-008	\$675,000	\$900,000
Rahway City	2013001-007	\$13,650,000	\$18,200,000
Rahway City	2013001-008	\$2,025,000	\$2,700,000
Passaic Valley Water Comm.	<u>1605002-025</u>	<u>\$27,450,000</u>	<u>\$36,600,000</u>
<u>Netcong Borough</u>	<u>1428001-009</u>	<u>\$300,000</u>	<u>\$400,000</u>
<u>Trenton City</u>	<u>1111001-010</u>	<u>\$7,875,000</u>	<u>\$10,500,000</u>
<u>Cape May City</u>	<u>0502001-004</u>	<u>\$1,650,000</u>	<u>\$2,200,000</u>
<u>Gloucester City</u>	<u>0414001-020A</u>	<u>\$187,500</u>	<u>\$250,000</u>
<u>Long Beach Township</u>	<u>1517001-500</u>	<u>\$6,900,000</u>	<u>\$9,200,000</u>

<u>Long Beach Township</u>	<u>1517001-501</u>	<u>\$1,425,000</u>	<u>\$1,900,000</u>
<u>Clinton Town</u>	<u>1005001-008</u>	<u>\$1,125,000</u>	<u>\$1,500,000</u>
Total Projects: [36] 44		[\$85,087,500] \$138,975,000	[\$113,450,000] \$185,300,000

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c. The Department of Environmental Protection is authorized to adjust the allowable Department of Environmental Protection loan amount for projects authorized in this section to between 25% and 75% of the total allowable loan amount and loan amounts to less than 25% to the extent the priority ranking and an insufficiency of funding prevents the department from making the loan.
(cf: P.L.2016, c.32, s.3)

4. Section 4 of P.L.2016, c.32 is amended to read as follows:

4. Any financing loan made by the Department of Environmental Protection pursuant to **[this act]** P.L.2016, c.32, as amended by P.L. , c. (pending before the Legislature as this bill), shall be subject to the following requirements:

a. The Commissioner Environmental Protection 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, P.L.1997, c.225 or P.L.2003, c.162, and any rules and regulations adopted pursuant thereto;

b. The estimated Department of Environmental Protection allowable loan amount shall not exceed 75% of the total allowable loan amount of the environmental infrastructure facility for projects listed in subsections a. and b. of section 2 **[of this act,]** and **[in]** subsections a. and b. of section 3 of **[this act]** P.L.2016, c.32, as amended by P.L. , c. (pending before the Legislature as this bill), provided that:

(1) for clean water loans to municipalities that do not satisfy the New Jersey Environmental Infrastructure Trust credit policy but are subject to State financial supervision and oversight pursuant to the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), the Department of Environmental Protection allowable loan amount shall be up to 100% of the total allowable loan amount not to exceed a total of \$10,000,000 for all such loans;

(2) for clean water and drinking water loans to municipalities receiving funding under the United States Department of Housing and Urban Development Community Development Block Grant – Disaster Recovery Program (CDBG-DR) the Department of Environmental Protection allowable loan amount shall be up to 100% of the total allowable loan amount; and

(3) for loans to drinking water systems serving 500 or fewer residents the Department of Environmental Protection allowable loan amount shall be 100% of the total allowable loan amount not to exceed a total of \$500,000 for all such loans. The loan amount for

1 supplemental loans shall not exceed that percentage of the
2 allowable project cost of the project's initial program loan; and

3 (4) for loans to communities in a combined sewer overflow
4 sewershed sponsoring construction projects that reduce or eliminate
5 excessive infiltration, inflow, or extraneous flows, the Department
6 of Environmental Protection allowable loan amount shall be up to
7 100% of the total allowable loan amount;

8 c. The loan shall be repaid within a period not to exceed 30
9 years of the making of the loan; and

10 d. The loan shall be subject to any other terms and conditions as
11 may be established by the commissioner and approved by the State
12 Treasurer, which may include, notwithstanding any other provision
13 of law to the contrary, subordination of a loan authorized in **[this**
14 **act]** P.L.2016, c.32, as amended by P.L. , c. (pending before the
15 Legislature as this bill), to loans made by the New Jersey
16 Environmental Infrastructure Trust pursuant to P.L.2016, c.31, as
17 amended by P.L. , c. (pending before the Legislature as Senate
18 Bill No. of 2016 and Assembly Bill No. of 2016), or to
19 administrative fees payable to the trust pursuant to subsection o. of
20 section 5 of P.L.1985, c.334 (C.58:11B-5).

21 (cf: P.L.2016, c.32, s.4)

22

23 5. Section 5 of P.L.2016, c.32 is amended to read as follows:

24 5. a. Any Sandy financing loan made by the Department of
25 Environmental Protection pursuant to **[this act]** P.L.2016, c.32, as
26 amended by P.L. , c. (pending before the Legislature as this
27 bill), shall be subject to the following requirements:

28 (1) The commissioner has certified that the project is in
29 compliance with the provisions of Title X, Chapter 7 of the Federal
30 "Disaster Relief Appropriations Act of 2013" (Pub.L.113-2), and
31 any amendatory and supplementary acts thereto; and

32 (2) The commissioner has certified that the project is in
33 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329,
34 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003,
35 c.162, and any rules and regulations adopted pursuant thereto.

36 b. The total amount of Sandy financing loans received by any
37 project sponsor for drinking water projects listed in subsection b. of
38 section 3 of **[this act]** P.L.2016, c.32, as amended by P.L. , c.
39 (pending before the Legislature as this bill), shall not exceed \$15
40 million of which not more than \$4.5 million of the principal may be
41 forgiven. In the event a project sponsor's individual loan needs
42 exceed \$15 million, the borrower may select which of its projects it
43 will seek funding pursuant to this section, and the borrower may
44 seek a loan for excess costs in a base financing loan. In the event
45 that additional Sandy funding becomes available because project
46 sponsors do not close on loans or the project sponsors loan requests
47 are less than originally applied for, the loan not to exceed amount

1 may be increased to the extent needed to assure full utilization of
2 Sandy funding for drinking water projects, provided:

3 (1) the loan shall be repaid within a period not to exceed 30
4 years of the making of the loan;

5 (2) the loan shall be conditioned upon approval of a loan from
6 the New Jersey Environmental Infrastructure Trust pursuant to
7 P.L.2016, c.31, as amended by P.L. _____, c. _____ (pending before the
8 Legislature as Senate Bill No. _____ of 2016 and Assembly Bill No. _____ of
9 2016), prior to June 30, 2017; and

10 (3) the loan shall be subject to any other terms and conditions as
11 may be established by the commissioner and approved by the State
12 Treasurer, which may include, notwithstanding any other provision
13 of law to the contrary, subordination of a loan authorized in **【this**
14 **act】** P.L.2016, c.32, as amended by P.L. _____, c. _____ (pending before the
15 Legislature as this bill), to loans made by the trust pursuant to
16 P.L.2016, c.31, as amended by P.L. _____, c. _____ (pending before the
17 Legislature as Senate Bill No. _____ of 2016 and Assembly Bill No. _____ of
18 2016), prior to June 30, 2017, or to administrative fees payable to
19 the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
20 (C.58:11B-5).

21 (cf: P.L.2016, c.32, s.5)

22

23 6. Section 6 of P.L.2016, c.32 is amended to read as follows:

24 6. The priority lists and authorization for the making of loans
25 pursuant to sections 2 and 3 of **【this act】** P.L.2016, c.32, as
26 amended by P.L. _____, c. _____ (pending before the Legislature as this
27 bill), shall expire on July 1, 2017, and any project sponsor which
28 has not executed and delivered a loan agreement with the
29 department for a loan authorized in **【this act】** P.L.2016, c.32, as
30 amended by P.L. _____, c. _____ (pending before the Legislature as this
31 bill), shall no longer be entitled to that loan.

32 (cf: P.L.2016, c.32, s.6)

33

34 7. Section 7 of P.L.2016, c.32 is amended to read as follows:

35 7. The Commissioner of Environmental Protection is authorized
36 to reduce or increase the individual amount of loan funds made
37 available to or on behalf of project sponsors pursuant to sections 2
38 and 3 of **【this act】** P.L.2016, c.32, as amended by P.L. _____, c.
39 (pending before the Legislature as this bill), based upon final or low
40 bid building costs defined in and determined in accordance with
41 rules and regulations adopted by the commissioner pursuant to
42 section 4 of P.L.1985, c.329, section 2 of P.L.1999, c.362
43 (C.58:12A-12.2), or section 5 of P.L.1981, c.261, provided that the
44 total loan amount does not exceed the estimated total allowable loan
45 amount. The commissioner is authorized to reduce or increase the
46 individual amount of loan funds made available to or on behalf of
47 project sponsors pursuant to sections 2 and 3 of **【this act】** P.L.2016,
48 c.32, as amended by P.L. _____, c. _____ (pending before the Legislature as

1 this bill), in an amount not to exceed 10 percent of the total
2 allowable loan amount based upon additional project costs to
3 comply with the Department of Environmental Protection's
4 guidance for asset management, emergency response, flood
5 protection, and auxiliary power.

6 (cf: P.L.2016, c.32, s.7)

7

8 8. Section 8 of P.L.2016, c.32 is amended to read as follows:

9 8. The expenditure of the funds appropriated by **[this act]**
10 P.L.2016, c.32, as amended by P.L. _____, c. _____ (pending before the
11 Legislature as this bill), is subject to the provisions and conditions
12 of P.L.1977, c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997,
13 c.223, P.L.1997, c.225 or P.L.2003, c.162, and the rules and
14 regulations adopted by the Commissioner of Environmental
15 Protection pursuant thereto, and the provisions of the Federal
16 Disaster Relief Appropriations Act, the Federal Clean Water Act or
17 the Federal Safe Drinking Water Act, and any amendatory and
18 supplementary acts thereto, as appropriate.

19 (cf: P.L.2016, c.32, s.8)

20

21 9. Section 10 of P.L.2016, c.32 is amended to read as follows:

22 10. a. Prior to repayment to the Clean Water State Revolving
23 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any
24 amendatory and supplementary acts thereto, prior to repayment to
25 the "Wastewater Treatment Fund" pursuant to the provisions of
26 section 16 of P.L.1985, c.329, prior to repayment to the "1992
27 Wastewater Treatment Fund" pursuant to the provisions of section
28 28 of P.L.1992, c.88, prior to repayment to the Drinking Water
29 State Revolving Fund, prior to repayment to the "Stormwater
30 Management and Combined Sewer Overflow Abatement Fund"
31 pursuant to the provisions of section 15 of P.L.1989, c.181, prior to
32 repayment to the "2003 Water Resources and Wastewater
33 Treatment Fund" pursuant to the provisions of section 20 of
34 P.L.2003, c.162, or prior to repayment to the "Water Supply Fund"
35 pursuant to the provisions of section 15 of P.L.1981, c.261,
36 repayments of loans made pursuant to these acts may be utilized by
37 the New Jersey Environmental Infrastructure Trust established
38 pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and
39 supplemented by P.L.1997, c.224, under terms and conditions
40 established by the commissioner and trust, and approved by the
41 State Treasurer, and consistent with the provisions of P.L.1985,
42 c.334 (C.58:11B-1 et seq.) and federal tax, environmental or
43 securities law, to the extent necessary to secure repayment of trust
44 bonds issued to finance loans approved pursuant to P.L.2016, c.31,
45 as amended by P.L. _____, c. _____ (pending before the Legislature as
46 Senate Bill No. _____ of 2016 and Assembly Bill No. _____ of 2016), and to
47 secure the administrative fees payable to the trust pursuant to

1 subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5) by the
2 project sponsors receiving trust loans.

3 b. Prior to repayment to the Clean Water State Revolving Fund
4 pursuant to section 1 and 2 of P.L. 2009, c.77 and any amendatory
5 and supplementary acts thereto, prior to repayment to the
6 "Wastewater Treatment Fund" pursuant to the provisions of section
7 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater
8 Treatment Fund" pursuant to the provisions of section 28 of
9 P.L.1992, c.88, prior to repayment to the "Water Supply Fund"
10 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to
11 repayment to the Drinking Water State Revolving Fund, prior to
12 repayment to the "2003 Water Resources and Wastewater
13 Treatment Fund" pursuant to the provisions of section 20 of
14 P.L.2003, c.162, or prior to repayment to the "Stormwater
15 Management and Combined Sewer Overflow Abatement Fund"
16 pursuant to the provisions of section 15 of P.L.1989, c.181, the trust
17 is further authorized to utilize repayments of loans made pursuant to
18 P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38,
19 P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85,
20 P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92,
21 P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109,
22 P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68,
23 P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43,
24 P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, **[or]** P.L.2016,
25 c.32, or P.L. , c. (pending before the Legislature as this bill), to
26 secure repayment of trust bonds issued to finance loans approved
27 pursuant to P.L.1995, c.218, P.L.1996, c.87, P.L.1997, c.222,
28 P.L.1998, c.85, P.L.1999, c.173, P.L.2000, c.93, P.L.2001, c.224,
29 P.L.2002, c.71, P.L.2003, c.159, P.L.2004, c.110, P.L.2005, c.197,
30 P.L.2006, c.67, P.L.2007, c.140, P.L.2008, c.67, P.L.2009, c.101,
31 P.L.2010, c.62, P.L.2011, c.95, P.L.2012, c.38, P.L.2013, c.94,
32 P.L.2014, c.26, P.L.2015, c.107 **[or]** , P.L.2016, c.31, or P.L. , c.
33 (pending before the Legislature as Senate Bill No. of 2016 and
34 Assembly Bill No. of 2016), and to secure the administrative fees
35 payable to the trust under these loans pursuant to subsection o. of
36 section 5 of P.L.1985, c.334 (C.58:11B-5).

37 c. To the extent that any loan repayment sums are used to satisfy
38 any trust bond repayment or administrative fee payment
39 deficiencies, the trust shall repay such sums to the department for
40 deposit into the Clean Water State Revolving Fund, the
41 "Wastewater Treatment Fund," the "1992 Wastewater Treatment
42 Fund," the "Water Supply Fund," the Drinking Water State
43 Revolving Fund, the "2003 Water Resources and Wastewater
44 Treatment Fund," or the "Stormwater Management and Combined
45 Sewer Overflow Abatement Fund," as appropriate, from amounts
46 received by or on behalf of the trust from project sponsors causing
47 any such deficiency.

48 (cf: P.L.2016, c.32, s.10)

1 10. This act shall take effect immediately.

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STATEMENT

5

6 This bill would amend the list of environmental infrastructure
7 projects approved by the Legislature for long-term funding for
8 Fiscal Year 2017 to include new projects and revise allowable loan
9 amounts for already approved projects.

10 Under current law, on or before May 15 of each year, the New
11 Jersey Environmental Infrastructure Trust (NJEIT) must submit a
12 list of environmental infrastructure projects, known as the project
13 eligibility list, to be approved by the Legislature for long-term
14 funding. The list is introduced in each House in the form of
15 legislative appropriations bills. In August 2016, P.L.2016, c.32 was
16 enacted into law, which appropriated funds to the Department of
17 Environmental Protection (DEP) for the purpose of financing
18 approximately \$411.35 million in environmental infrastructure
19 projects through the NJEIT in Fiscal Year 2017. Of that amount,
20 \$295.1 million was made available for clean water project loans and
21 \$116.25 million for drinking water project loans.

22 Also in August 2016, P.L.2016, c.30 was enacted into law,
23 which, among other things, provided the NJEIT with the authority
24 to submit an additional project eligibility list, by October 15 of each
25 year, for approval by the Legislature. Pursuant to that authority, the
26 NJEIT submitted an additional project eligibility list and revisions
27 to allowable loan amounts for projects that were already approved
28 in P.L.2016, c.32. This bill would amend P.L.2016, c.32 to include
29 those new projects and revisions to allowable loan amounts for
30 already approved projects. Under the bill and P.L.2016, c.32,
31 approximately \$641.58 million would be made available for
32 environmental infrastructure projects in Fiscal Year 2017. Of that
33 amount, approximately \$451.38 million would be available for
34 clean water project loans and \$190.2 million for drinking water
35 project loans.