ASSEMBLY, No. 576

STATE OF NEW JERSEY
220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:
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SYNOPSIS
Establishes Climate Change Mitigation and Resilience Financing Program in NJ Infrastructure Bank; imposes per-kilowatt hour charge on electric energy consumption to finance climate change mitigation and resilience projects.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.
AN ACT concerning the financing of climate change mitigation and resilience projects, amending and supplementing P.L.1985, c.334, and supplementing Title 48 of the Revised Statutes.

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

1. Section 2 of P.L.1985, c.334 (C.58:11B-2) is amended to read as follows:
2. a. The Legislature finds that the steady deterioration of older sewage and sewer systems and wastewater treatment plants endangers the availability and quality of uncontaminated water resources of the State, thereby posing a grave danger to the health, safety and welfare of the residents of the concerned communities and the State; that the construction, rehabilitation, operation, and maintenance of modern and efficient sewer systems and wastewater treatment plants are essential to protecting and improving the State's water quality; that in addition to protecting and improving water quality, adequate wastewater treatment systems are essential to economic growth and development; that many of the wastewater treatment systems in New Jersey must be replaced or upgraded if an inexorable decline in water quality is to be avoided during the coming decades; that the United States Congress in recognition of the crucial role wastewater treatment systems and plants play in maintaining and improving water quality, and with an understanding that the cost of financing and constructing these systems must be borne by local governments and authorities with limited sources of revenues, established in the “Federal Water Pollution Control Act Amendments of 1972,” Pub.L.92-500 (33 U.S.C. s.1251 et al.) a program to provide local governments with grants for constructing these systems; that during the last several years the amount of federal grant money available to states and local governments for assistance in constructing and improving wastewater treatment systems has sharply diminished; that the current level of federal grant funding is inadequate to meet the cost of upgrading the State's wastewater treatment capacity to comply with State water quality standards; that the collective needs of the State and local governments for capital financing of wastewater treatment systems far exceed the sums of money presently available through revenue initiatives and State and federal aid programs; and that it is fitting and proper for the State to encourage local governments to undertake wastewater treatment projects through the establishment of a State mechanism to provide loans at the

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.
lowest reasonable interest rates and to guarantee or insure local
capital improvement bonds.

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

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

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

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

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

f. The Legislature finds that there is universal scientific consensus that human activity is the primary cause of climate change over the past century; that climate change is causing sea levels to rise and more frequent droughts, hurricanes, and other extreme weather events that threaten public health, safety, the environment, and critical infrastructure in the State; that, in order to mitigate the effects of climate change, New Jersey must drastically reduce its fossil fuel consumption and greenhouse gas emissions, which, in turn, requires the State to increase the pace and amount of investment in clean energy, energy efficiency, and other climate change mitigation projects; that the State must simultaneously take measures to protect its residents, the environment, and critical infrastructure from the adverse effects of climate change; that providing low-interest financing for climate change mitigation and resilience projects will improve the standard of living for New Jersey residents by delivering clean energy more efficiently and at lower cost, and creating long-term, high paying jobs; and that such financing will also ease the economic effects of transitioning from a carbon-based economy to a clean energy economy.

g. The Legislature therefore determines that it is in the public interest to establish a State authority authorized to issue bonds,
notes and other obligations and to establish any reserve funds
necessary therefor, and to make loans to and guarantee debt
incurred by local government units for environmental and
transportation infrastructure projects, and to provide loans and
other financial assistance for climate change mitigation and
resilience projects.
(cf: P.L.2016, c.56, s.11)

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

3. As used in sections 1 through 27 of P.L.1985, c.334
(C.58:11B-1 through C.58:11B-27), sections 23 through 27 of
P.L.1997, c.224 (C.58:11B-10.1 et al.), [and] 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
sections 6 and 9 through 14 of P.L. , c. , (C. ) (pending
before the Legislature as this bill):

“Bonds” means bonds issued by the trust pursuant to P.L.1985,
c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
al.);

“Class I renewable energy” and “Class II renewable energy”
mean the same as those terms are defined in section 3 of P.L.1999,
c.23 (C.48:3-51).

“Climate change mitigation project” means a project whose
primary purpose is the construction, development, or production of
energy sources, infrastructure, land management techniques, or
technologies that eliminate, reduce, or sequester anthropogenic
greenhouse gas emissions in the State. “Climate change mitigation
project” shall include, but is not limited to, a Class I renewable
energy or Class II renewable energy source, community solar
project, energy efficiency improvement, energy storage, zero-
emission vehicle infrastructure, zero-emission public transportation
project, carbon capture and sequestration technology, reforestation
of degraded land, or wetlands preservation or restoration.

“Climate Change Mitigation and Resilience Financing Program”
means the financing program to fund climate change mitigation
projects and climate change resilience projects pursuant to P.L. ,
c. (C. )(pending before the Legislature as this bill).

“Climate change resilience project” means an infrastructure
project whose primary purpose is to protect human health and
safety, the environment, and public infrastructure from the adverse
effects of climate change, including drought, sea level rise, extreme
weather events, and harmful algal blooms. “Climate change
resilience project” shall include, but is not limited to, a sea barrier
or other flood protection project; a water storage system; the
removal, relocation, or redesign of public infrastructure; or a project
to mitigate harmful algal blooms. “Climate change resilience
project shall not include a project whose sole focus is research, data collection, or the acquisition of land.

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

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

“Commissioner” means the Commissioner of the Department of Environmental Protection;

“Community solar project” means a solar energy project undertaken pursuant to the “Community Solar Energy Pilot Program” or its permanent successor program, established pursuant to section 5 of P.L. 2018, c. 17 (C.48:3-87.11);

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

“Department” means the Department of Environmental Protection;

“Energy efficiency improvement” means a modification or improvement to a building or other property that is designed to reduce energy consumption and energy costs. “Energy efficiency improvement” includes, but is not limited to, any combination of: insulation; storm windows or doors; caulking, weather-stripping, or other window and door modifications or improvements that reduce energy consumption; automated or computerized energy control systems; energy efficient heating, ventilation or air conditioning systems; energy efficient lighting systems; energy recovery systems; cogeneration or combined heat and power systems; and other modifications or improvements as may be deemed appropriate by the Board of Public Utilities.

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

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

[“Planning, design, and construction loan” means a short-term or temporary loan for eligible costs incurred in project planning, engineering design, or construction issued before or during the planning stage of a project;]

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

“New Jersey Environmental Infrastructure Financing Program” means the financing program to fund environmental infrastructure projects;

“New Jersey Transportation Infrastructure Financing Program” means the financing program to fund transportation infrastructure projects;

“Notes” means notes issued by the trust pursuant to 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), and P.L. , c. (C. )(pending before the Legislature as this bill);

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

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

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

“Planning, design, and construction loan” means a short-term or
temporary loan for eligible costs incurred in project planning,
engineering design, or construction issued before or during the
planning stage of a project;

“Private entity” means any private individual, corporation,
company, partnership, firm, association, owner, operator, non-profit
organization, or community-based group;

“Project” means the acquisition, construction, improvement,
repair or reconstruction of all or part of any structure, facility, or
equipment, or real or personal property necessary for or ancillary to
any: (1) wastewater treatment system project, including any
stormwater management or combined sewer overflow abatement
projects; (2) water supply project, as authorized pursuant to
P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water resources project, as authorized
pursuant to P.L.2003, c.162; [or] (3) transportation project
authorized pursuant to sections 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); or (4) climate change
mitigation project or climate change resilience project authorized
pursuant to P.L. , c. (C. ) (pending before the Legislature as
this bill);

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

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

“Small water company” means any company, purveyor or entity,
other than a governmental agency, that provides water for human
consumption and which regularly serves less than 1,000 customer
connections, including nonprofit, noncommunity water systems
owned or operated by a nonprofit group or organization;

“State entity” means a department, agency, or office of State
government, including a State university or college, or an authority
created by the State.

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

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

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

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

(cf: P.L.2019, c.516, s.1)

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

4. a. There is established in, but not of, the Department of the Treasury a body corporate and politic, with corporate succession, to be known as the “New Jersey Infrastructure Bank.” The trust is constituted as an instrumentality of the State exercising public and essential governmental functions, no part of whose revenues shall accrue to the benefit of any individual, and the exercise by the trust of the powers conferred by the provisions of P.L.1985, c.334
sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-1.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or the provisions of P.L. , c. (pending before the Legislature as this bill) shall be deemed and held to be an essential governmental function of the State.

b. The trust shall consist of a 10 member board of directors composed of the State Treasurer, the Commissioner of the Department of Community Affairs, the Commissioner of the Department of Transportation, and the Commissioner of the Department of Environmental Protection, and the President of the Board of Public Utilities, who shall be members ex officio; two people appointed by the Governor upon the recommendation of the President of the Senate, and two people appointed by the Governor upon the recommendation of the Speaker of the General Assembly, who shall serve during the two-year legislative term in which they are appointed; and two residents of the State appointed by the Governor with the advice and consent of the Senate, who shall serve for terms of four years, except that the first two appointed shall serve terms of two and three years respectively. Each appointed director shall serve until that director's successor has been appointed and qualified. A director is eligible for reappointment. Any vacancy shall be filled in the same manner as the original appointment, but for the unexpired term only.

With respect to those public members first appointed by the Governor, the appointment of each of the two members upon the advice and consent of the Senate shall become effective 30 days after their nomination by the Governor if the Senate has not given advice and consent on those nominations within that time period; the President of the Senate and the Speaker of the General Assembly each shall recommend to the Governor a public member for appointment within 20 days following the effective date of P.L.1985, c.334 (C.58:11B-1 et seq.) and a public member for appointment within 20 days following the effective date of P.L.2016, c.56 and a recommendation made in this manner shall become effective if the Governor makes the appointment in accordance with the recommendation, in writing, within 10 days of the Governor's receipt thereof. In each instance where the Governor fails to make the appointment, the President of the Senate and the Speaker of the General Assembly shall make new recommendations subject to appointment by the Governor as determined in this section.

c. Each appointed director may be removed from office by the Governor for cause, upon the Governor's consideration of the findings and recommendations of an administrative law judge after a public hearing before the judge, and may be suspended by the Governor pending the completion of the hearing. Each director,
before entering upon the director's duties, shall take and subscribe
an oath to perform the duties of the director's office faithfully,
impartially and justly to the best of the director's ability. A record
of oaths shall be filed in the office of the Secretary of State.
d. The Governor shall designate one of the appointed members
to be the chairperson and chief executive officer of the trust and the
directors shall biannually elect a vice-chairperson from among the
appointed directors. The chairperson shall serve as such for a term
of two years and until a successor has been designated. A
chairperson shall be eligible for one additional two-year term as
chairperson. The directors shall elect a secretary and treasurer, who
need not be directors, and the same person may be elected to serve
as both secretary and treasurer.
The powers of the trust are vested in the directors in office from
time to time and six directors shall constitute a quorum at any
meeting. Action may be taken and motions and resolutions adopted
by the trust by the affirmative majority vote of those directors
present, but in no event shall any action be taken or motions or
resolutions adopted without the affirmative vote of at least six
directors. No vacancy on the board of directors of the trust shall
impair the right of a quorum of the directors to exercise the powers
and perform the duties of the trust.
e. Each director and the treasurer of the trust shall execute a
bond to be conditioned upon the faithful performance of the duties
of the director or treasurer in a form and amount as may be
prescribed by the State Treasurer. Bonds shall be filed in the office
of the Secretary of State. At all times thereafter, the directors and
treasurer shall maintain these bonds in full effect. All costs of the
bonds shall be borne by the trust.
f. The directors of the trust shall serve without compensation,
but the trust shall reimburse the directors for actual and necessary
expenses incurred in the performance of their duties.
Notwithstanding the provisions of any other law to the contrary, no
officer or employee of the State shall be deemed to have forfeited or
shall forfeit the officer's or employee's office or employment or any
benefits or emoluments thereof by reason of the officer's or
employee's acceptance of the office of ex officio director of the
trust or the ex officio director's services thereon.
g. Each ex officio director may designate an officer of the ex
officio director's department to represent the ex officio director at
meetings of the trust. Each designee may lawfully vote and
otherwise act on behalf of the director for whom the person
constitutes the designee. The designation shall be delivered in
writing to the trust and shall continue in effect until revoked or
amended in writing and delivered to the trust.
h. The trust may be dissolved by law; provided the trust has no
debts or obligations outstanding or that provision has been made for
the payment or retirement of these debts or obligations. The trust
shall continue in existence until dissolved by act of the Legislature.
Upon any dissolution of the trust, all property, funds and assets of
the trust shall be vested in the State.
   i. A true copy of the minutes of every meeting of the trust shall
be forthwith delivered by and under the certification of the secretary
thereof to the Governor and at the same time to the Senate and
General Assembly. The time and act of this delivery shall be duly
recorded on a delivery receipt. No action taken or motion or
resolution adopted at a meeting by the trust shall have effect until
10 days, exclusive of Saturdays, Sundays and public holidays, after
a copy of the minutes has been delivered to the Governor, unless
during the 10-day period the Governor shall approve all or part of
the actions taken or motions or resolutions adopted, in which case
the action or motion or resolution shall become effective upon the
approval.
   If, in the 10-day period, the Governor returns the copy of the
minutes with a veto of any action taken by the trust or any member
thereof at that meeting, the action shall be of no effect. The Senate
or General Assembly shall have the right to provide written
comments concerning the minutes to the Governor within the 10-
day period, which comments shall be returned to the trust by the
Governor with the Governor's approval or veto of the minutes.
   The powers conferred in this subsection upon the Governor shall
be exercised with due regard for the rights of the holders of bonds,
notes and other obligations of the trust at any time outstanding, and
nothing in, or done pursuant to, this subsection shall in any way
limit, restrict or alter the obligation or powers of the trust or any
representative or officer of the trust to carry out and perform each
covenant, agreement, or contract made or entered into by or on
behalf of the trust with respect to its bonds, notes, or other
obligations or for the benefit, protection or security of the holders
thereof.
   j. No resolution or other action of the trust providing for the
issuance of bonds, refunding bonds, notes or other obligations shall
be adopted or otherwise made effective by the trust without the
prior approval in writing of the Governor and the State Treasurer.
The trust shall provide the Senate and General Assembly with
written notice of any request for approval of the Governor and State
Treasurer at the time the request is made, and shall also provide the
Senate and General Assembly written notice of the response of the
Governor and State Treasurer at the time that the response is
received by the trust.
(cf: P.L.2016, c.56, s.13)
4. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to
read as follows:
5. Except as otherwise limited by the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill), the trust may:

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

b. Adopt an official seal and alter it;

c. Sue and be sued;

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

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

f. Receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or P.L. , c. (C. ) (pending before the Legislature as this bill), subject to the conditions upon which that aid and those contributions may be made, including, but not limited to, gifts or grants from any department or agency of the State, or any State agency, for any purpose consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or P.L. , c. (C. ) (pending before the Legislature as this bill),
C.58:11B-22.4), or P.L. , c. (C. ) (pending before the Legislature as this bill), subject to the provisions of section 23 of P.L.1985, c.334 (C.58:11B-23);

g. Acquire, own, hold, construct, improve, rehabilitate, renovate, operate, maintain, sell, assign, exchange, lease, mortgage or otherwise dispose of real and personal property, or any interest therein, in the exercise of its powers and the performance of its duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), 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) , or the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill);

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

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

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

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

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

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

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

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

(4) Make and contract to make loans and provide other
assistance to one or more local government units or consortia
thereof to finance the cost of transportation projects in accordance
with the provisions of the federal infrastructure bank program and
pursuant to sections 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);

(5) Make and contract to make loans and provide other assistance
to State entities, local government units, and private entities to
finance the cost of climate change mitigation projects and climate
change resilience projects in accordance the provisions of P.L. ,
c. (C. ) (pending before the Legislature as this bill);

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

o. (1) Charge to and collect from local government units,
private persons or public water utilities any fees and charges in
connection with the trust's loans, guarantees or other services,
including, but not limited to, fees and charges sufficient to
reimburse the trust for all reasonable costs necessarily incurred by it
in connection with its financings and the establishment and
maintenance of reserve or other funds, as the trust may determine to
be reasonable. The fees and charges shall be in accordance with a
uniform schedule published by the trust for the purpose of
providing actual cost reimbursement for the services rendered;
(2) Any fees and charges collected by the trust pursuant to this
subsection may be deposited and maintained in a special fund
separate from any other funds held by the trust pursuant to section
10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,
c.224 (C.58:11B-10.1), and shall be available for any corporate
purposes of the trust;
p. Subject to any agreement with holders of its bonds, notes or
other obligations, obtain as security or to provide liquidity for
payment of all or any part of the principal of and interest and
premium on the bonds, notes and other obligations of the trust or
for the purchase upon tender or otherwise of the bonds, notes or
other obligations, lines of credit, letters of credit and other security
agreements or instruments in any amounts and upon any terms as
the trust may determine, and pay any fees and expenses required in
connection therewith;
q. Provide to local government units and State entities any
financial and credit advice as these local government units and State
entities may request;
r. Make payments to the State from any moneys of the trust
available therefor as may be required pursuant to any agreement
with the State or act appropriating moneys to the trust; and
s. Take any action necessary or convenient to the exercise of
the foregoing powers or reasonably implied therefrom.
(cf: P.L.2017, c.144, s.2)

5. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to
read as follows:
6. a. Except as may be otherwise expressly provided in the
(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), or the provisions of
P.L. , c. (C. ) (pending before the Legislature as this bill), the
trust may from time to time issue its bonds, notes, or other
obligations in any principal amounts as in the judgment of the trust
shall be necessary to provide sufficient funds for any of its
corporate purposes, including the payment, funding, or refunding of
the principal of, or interest or redemption premiums on, any bonds,
notes, or other obligations issued by it, whether the bonds, notes, or
other obligations or the interest or redemption premiums thereon to
be funded or refunded have or have not become due, the
establishment or increase of reserves or other funds to secure or to pay the bonds, notes, or other obligations or interest thereon and all other costs or expenses of the trust incident to and necessary to carry out its corporate purposes and powers.

b. Whether or not the bonds, notes or other obligations of the trust are of a form and character as to be negotiable instruments under the terms of Title 12A of the New Jersey Statutes, the bonds, notes and other obligations are made negotiable instruments within the meaning of and for the purposes of Title 12A of the New Jersey Statutes, subject only to the provisions of the bonds, notes and other obligations for registration.

c. Bonds, notes or other obligations of the trust shall be authorized by a resolution or resolutions of the trust and may be issued in one or more series and shall bear any date or dates, mature at any time or times, bear interest at any rate or rates of interest per annum, be in any denomination or denominations, be in any form, either coupon, registered or book entry, carry any conversion or registration privileges, have any rank or priority, be executed in any manner, be payable in any coin or currency of the United States which at the time of payment is legal tender for the payment of public and private debts, at any place or places within or without the State, and be subject to any terms of redemption by the trust or the holders thereof, with or without premium, as the resolution or resolutions may provide. A resolution of the trust authorizing the issuance of bonds, notes or other obligations may provide that the bonds, notes or other obligations be secured by a trust indenture between the trust and a trustee, vesting in the trustee any property, rights, powers and duties in trust consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or the provisions of P.L.____, c.____(pending before the Legislature as this bill), as the trust may determine.

d. Bonds, notes or other obligations of the trust may be sold at any price or prices and in any manner as the trust may determine. Notwithstanding any provisions of the “Local Bond Law,” N.J.S.40A:2-1 et seq., to the contrary, each bond, note or other obligation shall mature and be paid not later than 30 years for environmental infrastructure projects, 45 years for combined sewer overflow projects, [and] 31 years for transportation projects, and 25 years for climate change mitigation projects and climate change resilience projects, from the effective date thereof, or the certified useful life of the project or projects to be financed by the bonds, whichever is less, or a shorter period of time as may be applicable to any companion loan issued pursuant to federal law or regulation.
[All] Except as provided in section 6 of P.L._____, c. ____ (pending before the Legislature as this bill), all bonds of the trust shall be sold at the price or prices and in the manner as the trust shall determine, after notice of sale, a summary of which shall be published at least once in at least three newspapers published in the State of New Jersey and at least once in a publication carrying municipal bond notices and devoted primarily to financial news published in New Jersey or the city of New York, the first summary notice to be at least five days prior to the day of bidding. The notice of sale may contain a provision to the effect that any or all bids made in pursuance thereof may be rejected. In the event of such rejection or of failure to receive any acceptable bid, the trust, at any time within 60 days from the date of such advertised sale, may sell such bonds at private sale upon terms not less favorable to the State than the terms offered by any rejected bid. The trust may sell all or part of the bonds of any series as issued to any State fund or to the federal government or any agency thereof, at private sale, without advertisement.

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

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

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

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

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

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

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

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

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

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

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

(3) Pledge of all moneys, funds, accounts, securities and other funds, including the proceeds of the bonds, notes or other obligations;

(4) Pledge of the receipts to be derived from the payments of State aid, payable to the trust pursuant to section 12 of P.L.1985, c.334 (C.58:11B-12);

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

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

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

(cf: P.L.2018, c.75, s.2)

6. (New section) The trust shall issue one or more separate series of bonds, notes, or other obligations for the purpose of financing climate change mitigation projects and climate change resilience projects, which bonds, notes, or other obligations shall be known as “New Jersey Climate Bonds.” Proceeds from the sale of New Jersey Climate Bonds shall be deposited into the State Climate Change Mitigation and Resilience Bank Fund, and any other accounts or subaccounts established pursuant to P.L. ,

c. (C. ) (pending before the Legislature as this bill) to be used solely to finance climate change mitigation and climate change resilience projects and for other costs associated with the New Jersey Climate Change Mitigation and Resilience Financing Program. New Jersey Climate Bonds shall be subject to the provisions of section 6 of P.L.1985, c.334 (C.58:11B-6), except that the trust shall, to the greatest extent practicable, make New Jersey Climate Bonds available for sale to individual investors, rather than institutional investors, and in denominations suitable for such sales, as determined by the trust. The trust shall develop mechanisms and procedures for the advertisement and public sale of New Jersey Climate Bonds to individual investors.

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

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

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

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

c. Covenant with respect to limitations on any right to sell, mortgage, lease or otherwise dispose of any notes, bonds or other obligations of local government units, or State entities, as applicable, or any part thereof, or any property of any kind;
d. Covenant as to any bonds, notes or other obligations to be
issued by the trust, and the limitations thereon, and the terms and
conditions thereof, and as to the custody, application, investment
and disposition of the proceeds thereof;

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

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

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

h. Covenant against extending the time for the payment of
bonds, notes or other obligations of the trust or interest thereon;

i. Covenant as to the redemption of bonds, notes and other
obligations by the trust or the holders thereof and privileges of
exchange thereof for other bonds, notes or other obligations of the
trust;

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

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

l. Vest in a trustee or trustees within or without the State any
property, rights, powers and duties in trust as the trust may
determine, which may include any or all of the rights, powers and
duties of any trustee appointed by the holders of any bonds, notes or
other obligations of the trust pursuant to section 18 of P.L.1985,
c.334 (C.58:11B-18), including rights with respect to the sale or
other disposition of notes, bonds or other obligations of local
government units, or State entities, as applicable, pledged pursuant
to a resolution or trust indenture for the benefit of the holders of
bonds, notes or other obligations of the trust and the right by suit or
action to foreclose any mortgage pledged pursuant to the resolution
or trust indenture for the benefit of the holders of the bonds, notes
or other obligations, and to limit or abrogate the right of the holders
of any bonds, notes or other obligations of the trust to appoint a
trustee under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), 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-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or the provisions of P.L. , C. (C.____) (pending before the Legislature as this bill), and to limit the rights, duties and powers of the trustee;

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

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

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

(cf:  P.L.2016, c.56, s.16)

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

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

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

(4) The trust may make and contract to make loans and provide other assistance to a local government unit or consortia thereof to finance the cost of transportation projects pursuant to sections 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.

(5) The trust may make and contract to make loans and provide other assistance to a State entity, local government unit, or private entity, or consortia thereof, to finance the cost of climate change mitigation projects and climate change resilience projects pursuant to the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill).

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, State entity, 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 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, State entity, 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, State entity, 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
or State entity to finance the cost of any wastewater treatment
system project, water supply project, transportation project, climate change mitigation project, or climate change resilience
project which the local government unit or State entity, as applicable, may lawfully undertake or acquire and for which the
local government unit or State entity, as applicable, 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) or P.L. , c. (C. ) (pending before the
Legislature as this bill). Each guarantee by the trust and the terms
and conditions thereof shall be subject to approval by the State
Treasurer, and the trust shall make available to the State Treasurer
all information, statistical data and reports of independent
consultants or experts as the State Treasurer shall deem necessary in
order to evaluate the guarantee.

c. The trust shall not make or contract to make any loans or
guarantees to local government units, public water utilities, State
entities, 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 planning, design, and construction loan shall mature no later than the last day of the fifth succeeding fiscal year following the closing date of the planning, design, and construction loan or the last day of the third succeeding fiscal year following the closing certification following the closing date of the planning, design, and construction loan, whichever is sooner, provided that, in either case, project planning or engineering design activities shall not exceed two years from the closing date of the planning, design, and construction loan; 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 of the planning, design, and construction loan or the last day of the third succeeding fiscal year following the date of construction certification following the closing date of the planning, design, and construction loan, whichever is sooner, provided that, in either case, project planning or engineering design activities shall not exceed two years from the closing date of the planning, design, and construction loan; and except a short-term or temporary loan made pursuant to this subsection, the trust may authorize one short-term supplemental loan for residual project expenses thereof upon receipt by the trust from the Department of Environmental Protection of a certification that states that the time required by the project sponsor to complete construction of the project exceeds the maximum maturity date of the project sponsor’s outstanding short-term or temporary loan or planning, design, and construction loan. Any such short-term supplemental loan shall not exceed in duration the
last day of the third succeeding fiscal year following the loan

closing of the supplemental loan. 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.334 (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, as such loans, notes, or other obligations may be refinanced or extended, as provided in subsections d. and g. of this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), 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 maturity date as established pursuant to subsections d. and g. of this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), 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 planning, design, and construction loan shall mature no later than
the last day of the fifth succeeding fiscal year following the closing
date of the planning, design, and construction loan or the last day of
the third succeeding fiscal year following the date of construction
certification following the closing date of the planning, design, and
construction loan, whichever is sooner, provided that, in either case,
project planning or engineering design activities shall not exceed
two years from the closing date of the planning, design, and
construction loan. With respect to any short-term or temporary loan
or planning, design, and construction loan made by the trust
pursuant to this subsection, the trust may authorize one short-term
supplemental loan for residual expenses thereof upon receipt by the
trust from the Department of Transportation of a certification that
states that the time required by the project sponsor to complete
construction of the project exceeds the maximum maturity date of
the short-term or temporary loan or planning, design, and
construction loan. Any such short-term supplemental loan shall not
exceed in duration the last day of the third succeeding fiscal year
following the loan closing of the short-term supplemental loan. 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 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.

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).

The trust shall create and establish a special fund to be known as the “Interim Climate Change Mitigation and Resilience Financing Program Fund” for the short-term or temporary loan financing or refinancing program to be known as the “Interim Climate Change Mitigation and Resilience Financing Program.” The monies in the fund shall be used for short-term or temporary loans for climate change mitigation projects and climate change resilience projects pursuant to the New Jersey Environmental Infrastructure 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 Climate Change Mitigation and Resilience 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 State entities, local government units, and private entities for any climate change mitigation project or climate change resilience project included on the Interim Climate Change Mitigation and Resilience Financing Program Project Priority List for the ensuing fiscal year and eligible for approval pursuant to P.L. , c. (C.____) (pending
before the Legislature as this bill), without regard to any other
(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 Climate Change Mitigation and
Resilience 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 planning, design, and construction loan
shall mature no later than the last day of the fifth succeeding fiscal
year following the closing date of the planning, design, and
construction loan or the last day of the third succeeding fiscal year
following the date of construction certification following the
closing date of the planning, design, and construction loan,
whichever is sooner, provided that, in either case, project planning
or engineering design activities shall not exceed two years from the
closing date of the planning, design, and construction loan. The
trust may make short-term or temporary loans pursuant to the
Interim Climate Change Mitigation and Resilience Financing
Program to any one or more of the project sponsors, for the
respective projects thereof, only if a project is identified on the list
to be known as the “Interim Climate Change Mitigation and
Resilience Financing Program Project Priority List” in the form
provided to the Legislature by the trust.

The Interim Climate Change Mitigation and Resilience
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 Climate Change Mitigation and
Resilience 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. A climate change mitigation project or
climate change resilience project, or the project sponsor thereof, not
identified in the Interim Climate Change Mitigation and Resilience
Financing Program Project Priority List shall not be eligible for a
short-term or temporary loan from the Interim Climate Change
Mitigation and Resilience Financing Program Fund. The trust may
revise or supplement the Interim Climate Change Mitigation and
Resilience Financing Program Project Priority List no more than
two 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 certification
in writing from the trust that the project activities satisfy the
(C.58:11B-10.1 et al.), and P.L. , c. (pending before the
Legislature as this bill).
(cf: P.L.2019, c.516, s.2)

9. (New section) a. There is established in the New Jersey
Infrastructure Bank the New Jersey Climate Change Mitigation and
Resilience Financing Program. The purpose of the program shall be
to provide low interest loans and other forms of financial assistance,
as the trust deems appropriate, to State entities, local government
units, and private entities to develop and finance climate change
mitigation projects and climate change resilience projects approved
by the department and the board pursuant to P.L. . (pending before the
Legislature as this bill). The trust, the
Department of Environmental Protection, and the Board of Public
Utilities shall develop criteria for participation in the New Jersey
Climate Change Mitigation and Resilience Financing Program, and
for the approval and disapproval of applications for financial
assistance.

10. (New Section) a. There is established in the New Jersey
Infrastructure Bank a special fund to be known as the Climate
Change Mitigation and Resilience Loan Origination Fee Fund. The
Climate Change Mitigation and Resilience Loan Origination Fee
Fund shall be credited with:
(1) monies deposited into the fund as loan origination fees
received by the trust and paid by loan applicants for climate change
mitigation projects and climate change resilience projects financed
under the New Jersey Climate Change Mitigation and Resilience
Financing Program; and
(2) any interest paid on the amounts of the climate change
mitigation and resilience loan origination fees.
b. Monies in the Climate Change Mitigation and Resilience
Loan Origination Fee Fund shall be drawn and used by the trust to
reimburse the trust for administrative and operating expenses
incurred in administering the New Jersey Climate Change
Mitigation and Resilience Financing Program, except that the total
amount expended by the trust for administrative and operating
expenses in any fiscal year shall not exceed $5,000,000. The
monies in the Climate Change Mitigation and Resilience Loan
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Origination Fee Fund shall also be available for application and
disbursement by the trust for loans to State entities or local
government units for the cost of climate change mitigation projects
and climate change resilience projects. Amounts in excess of the
funds drawn by the trust from the Climate Change Mitigation and
Resilience Loan Origination Fee Fund during any given fiscal year
shall be carried forward into the following fiscal year and held on
deposit in the fund.

c. As used in this section, “climate change mitigation and
resilience loan origination fee” means the fee charged by the trust in
connection with engineering and other services provided by the
trust to a project sponsor in connection with the project sponsor’s
participation in the New Jersey Climate Change Mitigation and
Resilience Financing Program. A project sponsor may finance any
portion of the climate change mitigation and resilience loan
origination fee through a project loan to pay a portion of the costs
incurred by the trust in the implementation of the New Jersey
Climate Change Mitigation and Resilience Financing Program.

11. (New section) a. The trust shall create and establish a
special fund to be known as the State Climate Change Mitigation
and Resilience Bank Fund. The monies in the State Climate
Change Mitigation and Resilience Bank Fund shall be used to
provide loans and other financial assistance to climate change
mitigation projects and climate change resilience projects funded by
the New Jersey Climate Change Mitigation and Resilience
Financing Program, and for other corporate purposes of the trust’s
administration and management of the New Jersey Climate Change
Mitigation and Resilience Financing Program, subject to
agreements with the holders of bonds, notes or other obligations of
the trust. The State Climate Change Mitigation and Resilience
Bank Fund shall be credited with:

(1) State and federal funds appropriated to the State Climate
Change Mitigation and Resilience Bank Fund;

(2) monies received as repayment of the principal of, and the
interest or premium on loans made from the State Climate Change
Mitigation and Resilience Bank Fund;

(3) any interest earnings received on the monies in the State
Climate Change Mitigation and Resilience Bank Fund; and

(4) any other monies the Legislature may appropriate to the trust
for deposit into the State Climate Change Mitigation and Resilience
Bank Fund to finance or refinance loans for climate change
mitigation projects and climate change resilience projects issued
from the State Climate Change Mitigation and Resilience Bank
Fund, including moneys received by the State Treasurer from the
non-bypassable charge imposed on electric public utility customers
pursuant to section 24 of P.L. , c. (C. )(pending before the Legislature as this bill).

b. Notwithstanding any provisions of P.L. c. (C. ) (pending before the Legislature as this bill) to the contrary, all monies placed into the State Climate Change Mitigation and Resilience Bank Fund shall be held separate from other funds of the trust, and no funds used to finance climate change mitigation projects and climate change resilience projects shall be combined or commingled with any funds that finance (1) wastewater treatment system projects, (2) water supply projects, (3) other environmental infrastructure projects, or (4) transportation, transit, marine or aviation projects, which are not climate change mitigation projects or climate change resilience projects.

c. 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.

12. (New section) a. The Commissioner of Environmental Protection, in consultation with the Board of Public Utilities and the trust, shall, for each fiscal year, develop a priority system, ranking criteria, and funding policies for climate change mitigation projects and climate change resilience projects. The commissioner shall prioritize projects that have the largest impact on protecting human health, safety, the environment, or critical infrastructure, from the adverse effects of climate change; reducing the State's greenhouse gas emissions; and meeting the State's clean energy goals. The Commissioner Environmental Protection shall set forth a Climate Change Mitigation and Resilience Financing Program Project Priority List, hereinafter referred to as the "climate change mitigation and resilience project priority list," for funding by the trust for each fiscal year and shall include the aggregate amount of funds of the trust to be authorized for these purposes. The climate change mitigation and resilience project priority list shall include a description of each climate change mitigation project and climate change resilience project and an explanation of the manner in which projects are ranked.

The climate change mitigation and resilience project priority list for the ensuing fiscal year shall be submitted to the Legislature on or before January 15 of each year. The Secretary and the Clerk shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly, respectively.

Incremental revisions or supplements to the climate change mitigation and resilience project priority list may be submitted to the Legislature as provided in subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9). A climate change mitigation project or climate change resilience project shall be eligible for funding
pursuant to this section only if it is identified on a climate change mitigation and resilience project priority list.

b. The Commissioner of Environmental Protection, in consultation with the President of the Board of Public Utilities, shall set forth a Climate Change Mitigation and Resilience Financing Program Project Eligibility List for long-term funding by the trust and shall include the aggregate amount of funds to be authorized for these purposes. The Climate Change Mitigation and Resilience Financing Program Project Eligibility List shall consist of Climate Change Mitigation and Resilience Financing Program Project Priority List projects certified by the Department of Environmental Protection and the Board of Public Utilities that have commenced construction and demonstrated to the department a high likelihood of construction completion within three years of the date of funding.

On or before May 15 of each year, the trust shall submit the Climate Change Mitigation and Resilience Financing Program Project Eligibility List for the ensuing fiscal year including any amendatory or supplementary provisions thereto, which shall include the authorization of an aggregate amount of funds of the trust to be expended for loans and guarantees for the specific climate change mitigation projects or climate change resilience projects, including the individual amounts therefor, to be introduced in each House in the form of legislative appropriations bills.

On or before July 1 of each year, the Legislature shall approve an appropriations act containing the Climate Change Mitigation and Resilience Program Project Eligibility List, including any amendatory or supplementary provisions thereto, which act shall include the authorization of an aggregate amount of funds of the trust to be expended for long-term loans and guarantees for the climate change mitigation and resilience projects, including the individual amounts for each project included on the list.

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

d. The trust shall not expend any money for a long-term loan or guarantee during a fiscal year for any climate change mitigation project or climate change resilience project unless the expenditure has been authorized pursuant to a State annual appropriations act of the current or three immediately preceding fiscal years as provided in the provisions of this section, or as otherwise set forth in an appropriations act.
e. The trust shall submit to the Secretary of the Senate and the Clerk of the General Assembly on or before January 15 of each year a report which shall identify the climate change mitigation projects and climate change resilience projects financed during the prior fiscal year, including a project description, the amount of the loan provided for each project, and the duration of each loan.

13. (New section) a. On or before May 15 of each year, the trust shall submit to the Legislature a financial plan designed to implement the financing of the climate change mitigation projects and climate change resilience projects on the Climate Change Mitigation and Resilience Financing Program Project Priority List or the Climate Change Mitigation and Resilience Financing Program Project Eligibility List. The financial plan shall contain an enumeration of the bonds, notes or other obligations of the trust which the trust intends to issue, including the amounts thereof and the terms and conditions thereof, a list of loans to be made to State entities, local government units, and private entities, including the terms and conditions thereof and the anticipated rate of interest per annum and repayment schedule therefor and a list of loan guarantees or contracts to guarantee the payment of all or a portion of the principal and interest on bonds, notes or other obligations issued by a State entity or local government unit to finance the cost of a climate change mitigation project or climate change resilience project, and the terms and conditions thereof.

The financial plan shall also set forth a complete operating and financial statement covering proposed operations of the State Climate Change Mitigation and Resilience Bank Fund during the forthcoming fiscal year, including amounts of income from all sources, and the uniform schedule of fees and charges established by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5), and the amounts to be derived therefrom, and shall summarize the status of each climate change mitigation project and climate change resilience project for which loans or guarantees have been made by the trust.

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

c. The financial plan for the State Climate Change Mitigation and Resilience Bank Fund shall not be eligible for inclusion in a consolidated financial plan as established in section 27 of P.L.1997, c.224 (C.58:11B-22.2).
14. (New section) The trust shall, within two years after the effective date of P.L. (C. ) (pending before the Legislature as this bill), and every two years thereafter, prepare a report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature regarding the number, nature, structure, and scope of climate change mitigation projects and climate change resilience projects financed pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill), including:

1. a description of the types of projects financed;
2. the climate and other environmental benefits of those projects;
3. benefits to public health, safety, and the environment and critical infrastructure;
4. job creation and other economic and societal benefits; and
5. costs incurred.

The report shall also address any implementation issues, including staffing and resource requirements, and may provide recommendations regarding how the New Jersey Climate Mitigation and Resilience Financing Program may be improved, expanded, or made more efficient.

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

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

(cf:  P.L.2016, c.56, s.24)

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

14. The State does pledge to and covenant and agree with the holders of any bonds, notes or other obligations of the trust issued pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.), 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) , or P.L. , c. (C. ) (pending before the Legislature as this bill) that the State shall not limit or alter the rights or powers vested in the trust to perform and fulfill the terms of any agreement made with the holders of the bonds, notes or other obligations or to fix, establish, charge and collect any rents, fees, rates, payments or other charges as may be convenient or necessary to produce sufficient revenues to meet all expenses of the trust and to fulfill the terms of any agreement made with the holders of bonds, notes or other obligations, including the obligations to pay the principal of
and interest and premium on those bonds, notes or other obligations, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders, and shall not limit or alter the rights and powers of any local government unit or State entity, as applicable, to pay and perform its obligations owed to the trust in connection with loans received from the trust, until the bonds, notes and other obligations of the trust, together with interest thereon, are fully met and discharged or provided for.
(cf: P.L.2016, c.56, s.25)

17. Section 15 of P.L.1985, c.334 (C.58:11B-15) is amended to read as follows:
15. The State and all public officers, governmental units and agencies thereof, all banks, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds, notes or other obligations issued pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or P.L. , c. (pending before the Legislature as this bill), and those bonds, notes or other obligations shall be authorized security for any and all public deposits.
(cf: P.L.2016, c.56, s.26)

18. Section 17 of P.L.1985, c.334 (C.58:11B-17) is amended to read as follows:
17. All property of the trust is declared to be public property devoted to an essential public and governmental function and purpose and the revenues, income and other moneys received or to be received by the trust shall be exempt from all taxes of the State or any political subdivision thereof. All bonds, notes and other obligations of the trust issued pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or P.L. , c. (pending before the Legislature as this bill) are declared to be issued by a body corporate and politic of the State and for an essential public and governmental purpose and those bonds, notes and other obligations, and interest thereon and the income therefrom and from the sale,
exchange or other transfer thereof shall at all times be exempt from
taxation, except for transfer inheritance and estate taxes.
(cf: P.L.2016, c.56, s.27)

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

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

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

(1) By suit, action or proceeding enforce all rights of the holders
of bonds, notes or other obligations of the issue, to require the trust
to carry out any other agreements with the holders of the bonds,
notes or other obligations of the issue and to perform its duties
(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) or P.L. , c. (C. )
(pending before the Legislature as this bill);

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

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

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

(5) Sell or otherwise dispose of bonds and notes of local
government units, or State entities, as applicable, pledged pursuant
to resolution or trust indenture for benefit of holders of bonds,
notes, or other obligations of the issue on any terms as resolution or
trust indenture may provide;
(6) By action or suit, foreclose any mortgage pledged pursuant to the resolution or trust indenture for the benefit of the holders of the bonds, notes or other obligations of the issue;

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

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

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

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

(cf: P.L.2016, c.56, s.28)

20. Section 19 of P.L.1985, c.334 (C.58:11B-19) is amended to read as follows:

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

(cf: P.L.2016, c.56, s.29)
21. Section 23 of P.L.1985, c.334 (C.58:11B-23) is amended to read as follows:

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

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


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. (cf: P.L.2019, c.516, s.6)

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

25. The trust shall establish the rules and regulations governing the making and use of loans or guarantees, including, but not limited to, procedures for the submission of loan guarantee requests, standards for the evaluation of requests, provisions implementing priority systems for projects, reporting requirements of the recipient of any loan or guarantee concerning the progress and the expenditure of funds, and limitations, restrictions or requirements concerning the use of loan funds as the trust shall prescribe; provided that the rules and regulations shall be in compliance with the terms and provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), 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), or P.L.____, c.____ (C.____) (pending before the Legislature as this bill), relating to the making of or eligibility for loans or guarantees for environmental infrastructure projects generally or for any particular type or class of wastewater treatment system or water supply projects. (cf: P.L.2016, c.56, s.31)

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

24. (New section) a. The board shall order each electric public utility, beginning 120 days after the effective date of P.L., to charge and collect from each retail distribution customer a non-bypassable, irrevocable charge in the amount of $0.0003 per kilowatt-hour sold to the customer. Revenues collected by each electric public utility from the non-bypassable, irrevocable charge shall be remitted to the State Treasurer for deposit into the State Climate Change Mitigation and Resilience Bank Fund established pursuant to section 11 of P.L., to charge each retail distribution customer a non-bypassable, irrevocable charge in the amount of $0.0003 per kilowatt-hour sold to the customer.

b. The charge imposed pursuant to subsection a. of this section shall decrease to:

(1) $0.0002 per kilowatt-hour sold upon certification by the President of the Board of Public Utilities that 50 percent of the kilowatt hours sold in the State by each electric power supplier and each basic generation service provider are from Class I and Class II renewable energy sources;

(2) $0.0001 per kilowatt-hour sold upon certification by the President of the Board of Public Utilities that 75 percent of the kilowatt hours sold in the State by each electric power supplier and each basic generation service provider are from Class I and Class II renewable energy sources.

c. The charge imposed pursuant to subsection a. of this section shall become inoperative upon certification by the President of the Board of Public Utilities that 100 percent of the kilowatt hours sold in the State by each electric power supplier and each basic generation service provider are from Class I and Class II renewable energy sources. Any certification made by the President of the Board of Public Utilities pursuant to this section shall take the form of a board order issued pursuant to R.S.48:2-40.

25. This act shall take effect immediately.

STATEMENT

This bill would establish the Climate Change Mitigation and Resilience Financing Program in the New Jersey Infrastructure Bank (NJIB) and impose a per-kilowatt hour charge on electric public utility customers to finance the program.

The purpose of the program would be to provide low interest loans and other financial assistance, through the NJIB, for climate change mitigation and resilience projects. Under the bill, “climate change mitigation project” means a project whose primary purpose is the construction, development, or production of energy sources, infrastructure, land management techniques, or technologies that...
eliminate, reduce, or sequester greenhouse gas emissions in the State. Climate change mitigation projects would include Class I or Class II renewable energy sources, community solar projects, energy efficiency improvements, energy storage, zero-emission vehicle infrastructure, zero-emission public transportation, carbon capture and sequestration technologies, reforestation of degraded land, or wetlands preservation and restoration. “Climate change resilience project” means an infrastructure project whose primary purpose is to protect human health, safety, the environment, or public infrastructure from the adverse effects of climate change including drought, sea level rise, extreme weather events, and harmful algal blooms. Climate change resilience projects would include sea barriers or other flood protection projects; water storage systems; the removal, relocation, or redesign of public infrastructure; and projects to mitigate harmful algal blooms.

The NJIB would be authorized to make both short-term and long-term loans to finance climate change mitigation and resilience projects, and to issue bonds, notes, or other obligations to fund the program. Under the bill, the NJIB would be required to issue one or more separate series of bonds to be known as “New Jersey Climate Bonds.” Proceeds from the bonds would be deposited into the State Climate Change Mitigation and Resilience Bank Fund, established under the bill, and used to finance climate change mitigation and resilience projects and for other costs associated with the financing program. Issuance of New Jersey Climate Bonds would be subject to existing laws concerning bonding, except that the trust would, to the greatest extent practicable, be required to make the bonds available for sale to individual investors, rather than institutional investors, and in denominations suitable for such sales.

The Department of Environmental Protection (DEP) and the Board of Public Utilities (BPU) would be responsible for developing a priority system, ranking criteria, and funding policies for climate change mitigation and resilience projects financed under the bill. The DEP and the BPU would also be responsible for developing an annual project priority list to be submitted for approval by the State Legislature. The DEP would prioritize projects that have the largest impact on protecting human health, safety, the environment, and critical infrastructure in the State from the adverse effects of climate change; reducing the State’s greenhouse gas emissions; and meeting the State’s clean energy goals.

The financing program would be funded by a non-bypassable, irrevocable charge imposed on the customers of each electric public utility in the State. Beginning 120 days after the effective date of the bill, the charge would be $0.0003 per kilowatt-hour sold to each customer. However, the charge would decrease over time as the State meets certain renewable energy targets established in law.
The charge would phase out completely upon certification by the BPU that 100 percent of the kilowatt hours sold in the State are from Class I and Class II renewable energy sources.