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CHAPTER 60

An Act authorizing the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of up to $9,900,000,000 for the purpose of responding to the fiscal exigencies caused by the COVID-19 Pandemic; authorizing the Governor to apply for and receive federal stimulus loans for the benefit of the State; authorizing the issuance of refunding bonds; and providing the ways and means to pay and discharge the principal of and interest on the bonds.

Be It Enacted *by the Senate and General Assembly of the State of New Jersey:*

1. This act shall be known and may be cited as the "New Jersey COVID-19 Emergency Bond Act."

2. The Legislature finds and declares that:

a. Due to the increase in the number of SARS-CoV-2 novel coronavirus ("COVID-19") cases in New Jersey, the surrounding region and across the globe, the Governor of the State of New Jersey (the "Governor") issued Executive Order No. 103 declaring a public health emergency and a state of emergency in the State of New Jersey (the "State") on March 9, 2020. The declaration allows for certain executive actions to respond to the increasing number of COVID-19 cases in the State.

b. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, and on March 13, 2020, the President of the United States proclaimed that the COVID-19 outbreak constituted a national emergency.

c. On March 16, 2020, the Governor issued Executive Order No. 104, whereby the Governor ordered restrictions, including that all K-12 schools be closed (with limited exceptions); all universities and colleges in the State cease in-person instruction; casinos, racetracks, in-person sports wagering, gyms and fitness centers, and entertainment centers be closed; non-essential businesses cease operations from 8:00 p.m. to 5:00 a.m., and when open, adhere to limited occupancy restrictions; and all restaurants and bars close except for delivery or take-out services.

d. On March 19, 2020, the Governor issued Executive Order No. 105, whereby the Governor, among other things, ordered that certain local elections scheduled during the rest of March and in April be moved to May 12, 2020, and that all elections on May 12, 2020, take place via mail-in ballot only.

e. On March 19, 2020, the Governor issued Executive Order No. 106, whereby the Governor, among other things, ordered that no lessee, tenant, homeowner or any other person shall be removed from a residential property by foreclosure or eviction; and that enforcement of all judgments for possession, warrants for removal, and writs of possession are stayed while Executive Order No. 106 is in effect, unless the court hearing the matter determines that enforcement is necessary in the interests of justice.

f. On March 21, 2020, the Governor issued Executive Order No. 107, which superseded the operative paragraphs of Executive Order No. 104 and whereby the Governor ordered that for the most part all State residents remain home or at their place of residence except for certain very limited exceptions. The Governor also ordered that all non-essential retail businesses be closed to the public.

g. On March 21, 2020, the Governor issued Executive Order No. 108, whereby the Governor ordered that any county or municipal restriction imposed in response to COVID-19 that in any way conflicts with the provisions of Executive Order No. 107 is invalidated; and no municipality, county or any agency or political subdivision of the State may enact any order, rule, regulation, ordinance, or resolution which would conflict with Executive Order No. 107.

h. On March 23, 2020, the Governor issued Executive Order No. 109, whereby the Governor ordered all elective surgeries suspended as of March 27, 2020.

i. On March 25, 2020, the Governor issued Executive Order No. 110, whereby the Governor ordered all child care centers to close, except those certified to care for the children of essential persons, including essential government employees; health care workers; law enforcement personnel; fire and emergency services personnel; staff at correctional facilities; individuals employed at emergency child care centers operating on or after April 1, 2020; group home and shelter staff; essential government employees who are unable to work

from home, including child protection services workers, child welfare workers, foster care workers, unemployment compensation processing staff, and public health employees; and certain critical workers at essential retail business.

j. On March 28, 2020, the Governor issued Executive Order No. 111, whereby the Governor ordered health care facilities to report data concerning their capacity and supplies on a daily basis.

k. On April 1, 2020, the Governor issued Executive Order No. 112, whereby the Governor ordered the removal of various statutory barriers applicable to various health care professionals and provided immunity to health care professionals and health care facilities aiding in the response by the State to the COVID-19 Pandemic.

l. On April 2, 2020, the Governor issued Executive Order No. 113, whereby the Governor authorized the State Director of Emergency Management, who is the Superintendent of State Police, to use the Governor's full authority to reallocate medical resources to the regions and health care facilities affected by COVID-19, to take or use, subject to the compensation provisions of the New Jersey Civilian Defense and Disaster Control Act, personal services and/or real or personal property, including medical resources, for the purpose of protecting or promoting the public health, safety, or welfare.

m. On April 3, 2020, the Governor issued Executive Order No. 114, whereby the Governor ordered that the flags of the United States of America and of New Jersey shall be flown at half-staff at all State buildings in recognition and mourning of all those who have lost their lives and have been affected by COVID-19.

n. On April 6, 2020, the Governor issued Executive Order No. 115, whereby the Governor authorized, for the duration of the public health emergency and the state of emergency, the return by retirees of government agencies to employment without having to re-enroll in any retirement system.

o. On April 7, 2020, the Governor issued Executive Order No. 116, whereby the Governor extended the deadline to June 9, 2020, for the governing body of each municipality, after consultation with the school board of education, to present and to certify a tax levy to the county board of taxation; school districts that were scheduled to have their annual board of education elections on April 21, 2020, but which were postponed to May 12, 2020, have until June 5, 2020 to provide notice to non-tenured teaching staff members as to whether they will be employed for the next succeeding year and such non-tenured teaching staff members have until June 22, 2020 to accept such employment offers by such school districts; the terms of school board of education members whose terms were set to expire at the first organizational meeting following the postponed April 21, 2020 election shall be extended to the first organizational meeting following the May 12, 2020 election; and the terms of such school board of education members elected at the May 12, 2020 election shall run as though they had taken office at the first organizational meeting following the originally scheduled April 21, 2020 election.

p. On April 7, 2020, the Governor issued Executive Order No. 117, whereby the Governor, among other things, waived and cancelled the eighth-grade student assessment for the 2019-2020 school year; waived and cancelled the twelfth-grade student assessment for any student who is expected to graduate in the class of 2020, but who had not, as of March 18, 2020, met such graduation assessment requirement; waived the requirement that student growth data be used as a measure of educator effectiveness in the overall evaluation of any educator; and waived the requirement of three observations and evaluations for all non-tenured teaching staff for the 2019-2020 school year.

q. On April 7, 2020, the Governor issued Executive Order No. 118, whereby the Governor ordered that all State parks and forests and all county parks be closed to the public.

r. On April 7, 2020, the Governor issued Executive Order No. 119, whereby the Governor ordered that all executive orders, and all Executive Branch department and agency actions, including any administrative orders adopted in whole or in part based on the authority under the "Emergency Health Powers Act," P.L.2005, c.222 (C.26:13-1, et seq.), remain in full force and effect.

s. On April 8, 2020, the Governor issued Executive Order No. 120, whereby the Governor ordered the federal and State primary elections scheduled for June 2, 2020, be postponed and rescheduled for July 7, 2020; and any other election scheduled for a date on or between May 13, 2020, and July 7, 2020, be postponed and rescheduled for July 7, 2020.

t. On April 8, 2020, the Governor issued Executive Order No. 121, whereby the Governor authorized motor vehicles transporting relief supplies necessary for the response to the COVID-19 Pandemic public health emergency and state of emergency via certain interstate highways and toll roads in the State to receive special permits from the Department of Transportation to increase the maximum motor vehicle weight on a vehicle with a minimum of five axles.

u. On April 8, 2020, the Governor issued Executive Order No. 122, whereby the Governor ordered: (1) essential retail businesses that are permitted to maintain in-person operations pursuant to Executive Order No. 107, to limit occupancy to fifty percent of the stated maximum store capacity, establish hours of operation that permit access solely to high-risk individuals as defined by the Centers for Disease Control and Prevention, install physical barriers between customers and cashiers/baggers to ensure six feet of distance between those individuals, require infection control practices for employees and provide employees break time for repeated handwashing throughout the workday, arrange for contactless pay, pickup and delivery options, provide sanitization materials to staff and customers, require frequent sanitization of high-touch areas such as restrooms, credit card machines, keypads, counters and shopping carts, demarcate six feet of spacing in check-out lines, and require employees and customers to wear cloth face coverings while on premises; (2) all non-essential construction projects to cease; (3) all manufacturing businesses, warehousing businesses and businesses engaged in essential construction projects (as defined in the Executive Order) to limit the number of persons at the worksite concurrently and to adopt social distancing and infection control, mitigation and sanitization policies to prevent the spread of COVID-19; (4) all manufacturing businesses, warehousing businesses and businesses engaged in essential construction projects to adopt policies to address situations where an employee appears to demonstrate COVID-19 symptoms during the work day, to notify employees of potential exposure to COVID-19, to clean and disinfect worksite areas, and to maintain a clean and safe workplace environment; and (5) businesses authorized to maintain in-person operations pursuant to Executive Order No. 107, to adopt certain cleaning protocols where operations are conducted.

v. On April 9, 2020, the Governor issued Executive Order No. 123, whereby the Governor ordered certain insurance companies not to cancel policies during the emergency grace periods as a result of nonpayment of premiums; and authorized the Commissioner of Banking and Insurance to extend the emergency grace periods further as necessary to protect the interests of policyholders, beneficiaries and the public.

w. On April 10, 2020, the Governor issued Executive Order No. 124, whereby the Governor authorized a process for the release of inmates by means of parole or temporary emergency medical home confinement to reduce the threat to inmates posed by COVID-19 in a correctional setting.

x. On April 11, 2020, the Governor issued Executive Order No. 125, whereby the Governor ordered New Jersey Transit, private New Jersey Transit-affiliated motor carriers, private unaffiliated motor carriers, and private paratransit carriers to establish infection control, mitigation and sanitization policies to prevent the spread of COVID-19; restaurants, cafeterias, dining establishments, food courts, bars, and other holders of liquor licenses with retail consumption privileges that are continuing to offer food delivery and/or take-out services pursuant to Executive Order No. 107 to adopt social distancing and infection control, mitigation and sanitization policies to prevent the spread of COVID-19.

y. On April 13, 2020, the Legislature passed P.L.2020, c.19, whereby the Legislature: (1) extended the due date for the filing of quarterly and annual returns and the payment of tax due pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., or the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), from April 15, 2020 to July 15, 2020; and (2) for purposes of the State's general appropriation law, provided that the State fiscal year scheduled to end on June 30, 2020, shall end on September 30, 2020, and the subsequent fiscal year shall begin on October 1, 2020, and shall end on June 30, 2021.

z. On April 13, 2020, the Governor issued Executive Order No. 126, whereby the Governor ordered that no cable or telecommunications provider that provides residential internet and voice services to State residents shall terminate such internet and voice services due to nonpayment during the public health emergency and state of emergency; authorized a cable or telecommunications provider to State residents to downgrade or reduce the quality of residential internet or voice services due to nonpayment only if acting according to a policy approved in writing by the New Jersey Board of Public Utilities; authorized a cable or telecommunications provider to State residents to collect a fee or charge imposed for late payments relating to residential internet service or imposed for reconnection of voice services only if acting according to a policy approved in writing by the New Jersey Board of Public Utilities; and authorized reconnection of residential internet or voice services which were discontinued due to nonpayment after March 16, 2020, including where the disconnection was for unpaid bills incurred prior to March 16, 2020, at no cost to the customer beyond the actual costs incurred by the provider.

aa. On April 14, 2020, the Governor issued Executive Order No. 127, whereby the Governor ordered an extension of deadlines in contested cases and for filing of any recommended report or decision under the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1, et seq.), unless the contested case is proceeding as emergent or is on appeal to the Civil Service Commission from certain adverse actions; ordered an extension of the deadline for notices of rule proposal if the rule proposal was published in the New Jersey Register on or after April 15, 2019, and the notice of rule proposal would otherwise expire without the benefit of such an extension; ordered an extension of the deadline for any Executive Branch department or agency to act on any currently pending petition for rulemaking or on any petition for rulemaking filed during the public health emergency, or any Executive Branch department or agency rule prescribing procedures for the consideration and disposition of petitions for rulemaking; ordered an extension of the expiration date of any rule scheduled to expire during the public health emergency; authorized the further extension of any deadline or expiration date upon request of the Executive Branch department or agency and upon written approval of the Governor; and extended the deadline by which any State officer or employee is required to file a financial disclosure statement pursuant to Executive Order No. 2 (Murphy 2018) or a conflict of interest form pursuant to Executive Order No. 14 (Corzine 2006) to July 31, 2020.

bb. On April 24, 2020, the Governor issued Executive Order No. 128, whereby the Governor authorized the use of security deposits, upon the request from a tenant, to pay or be credited against rent payments due or to become due from the tenant during the public health emergency or up to sixty days after the public health emergency terminates.

cc. On April 27, 2020, the Governor issued Executive Order No. 129, whereby the Governor ordered the extension of all retired officer carry permits that expire during the public health emergency for a period of 90 days after the end of the public health emergency, provided that the permit holder submits a renewal application prior to the expiration of their existing permit or prior to May 4, 2020, which is later, and the permit holder submits proof of qualification on the use of their weapon.

dd. On April 28, 2020, the Governor issued Executive Order No. 130, whereby the Governor authorized the governing body of any municipality in the State to adopt a resolution instituting a grace period concluding on a date no later than June 1, 2020, for the payment of second-quarter property taxes for municipalities on a calendar year budget cycle and for the payment of fourth-quarter property taxes for municipalities on a State fiscal year (July 1 to June 30) budget cycle.

ee. On April 28, 2020, the Governor issued Executive Order No. 131, whereby the Governor established the Governor's Restart and Recovery Commission to provide advice and guidance to the Governor for reopening the State economy in a way that is consistent with the State's public health efforts to slow the spread of COVID-19.

ff. On April 29, 2020, the Governor issued Executive Order No. 132, whereby the Governor authorized electronic submission of initiative and referendum petitions to county clerks and municipal clerks in addition to hand delivery of such petitions; authorized county clerks and municipal clerks to also accept electronic signatures on such petitions via an online form; and suspended the statutory requirement for a notarized affidavit to be submitted attesting to the validity of signatures on such petitions.

gg. On April 29, 2020, the Governor issued Executive Order No. 133, whereby the Governor ordered the reopening of State parks and forests for passive recreational activities in which social distancing can be readily achieved but ordered that certain other activities remain closed; set forth restrictions, recommendations and policies for social distancing at State parks and forests; ordered the opening

of county parks; and ordered that social distancing restrictions, recommendations and policies be followed at county and municipal parks, and at golf courses that are opened to the public.

hh. The COVID-19 Pandemic has had a severe impact on the State's economy. The long-term and short-term capital markets have experienced significant deterioration in value and increased volatility, which can affect the liquidity and results of operations of businesses in the State and the State economy as a whole and which has significantly and materially adversely affected and continues to significantly and materially adversely affect the State's financial resources for Fiscal Year 2020 and Fiscal Year 2021.

ii. The impact of COVID-19 on the State, its economy, budget and finances is unpredictable and rapidly changing, but events surrounding COVID-19 will severely and negatively impact the State's economy and financial condition. Some of the negative impacts that the State has currently identified include:

(1) The State expects precipitous declines in revenues in Fiscal Year 2020 and Fiscal Year 2021, which include significant reductions in gross income tax revenues, corporation business tax revenues, and sales and use tax revenues due to required business shutdowns; motor fuels taxes due to mandated "stay-at home" orders; casino-related taxes due to casino closures; and lottery sales which have already started to decline;

(2) The State expects that it will need to significantly revise the estimated revenues and projected appropriations for Fiscal Years 2020 and 2021 contained in the Governor's Budget Message for Fiscal Year 2021 on February 25, 2020, which was delivered before the outbreak of COVID-19 within the State; and

(3) The State may encounter future increases in the State's actuarially recommended contributions to the State's pension plans to the extent that the valuation of pension plans is affected by the deterioration in value in the investment markets.

jj. From April 29, 2020 to the present, the Legislature and the Governor have continued to seek ways to restart the State economy and recover from the financial problems resulting from the COVID-19 Pandemic.

kk. It is necessary for the State to take action to ensure the continued viability of the State's financial condition and to assist the State's population in dealing with the financial and economic problems resulting from the COVID-19 Pandemic through the issuance of general obligations bonds, and borrowings from the federal government pursuant to this act to provide financial resources for the State budget.

ll. This act authorizes the issuance of bonds, and borrowing from the federal government in accordance with Article VIII, Section II, paragraph 3, subparagraph e. of the Constitution of the State to respond to the fiscal exigencies caused by the COVID-19 Pandemic and to maintain and preserve the fiscal integrity of the State.

3. The following words or terms as used in this act shall have the following meanings unless a different meaning clearly appears from the context:

"Bonds" means any bonds, notes or other obligations authorized to be issued under this act.

"COVID-19" means the SARS-CoV-2 novel coronavirus.

"COVID-19 Pandemic" means the outbreak of COVID-19 throughout the world, declared to be a pandemic by the World Health Organization on March 11, 2020.

"Federal government" means the United States of America, any agency or instrumentality of the United States of America and any other entity, including, without limitation, any facility or special purpose vehicle, that is authorized to make loans to the State pursuant to any federal stimulus law. The term "federal government" is to be interpreted broadly with the intent that the State shall be authorized to borrow from such lenders as may be necessary or desirable to enable the State to receive loans under or pursuant to federal stimulus laws to the fullest extent possible.

"Federal stimulus laws" means any federal laws enacted to address the fiscal and economic crisis resulting from the COVID-19 Pandemic, including but not limited to the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), Pub.L.116-136, codified at 134 Stat. 281 or any other federal stimulus law related to the COVID-19 Pandemic, and any other federal laws that may authorize or support lending to the State, including, but not limited to, section 13(3) of the Federal Reserve Act, 12 U.S.C. s.343, which laws, among other things, provide for loans or grants to the State to address the economic crisis.

"Government securities" means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency, to the extent those obligations are unconditionally guaranteed by the United States of America, and any certificates or any other evidences of an ownership interest in those obligations of, or unconditionally guaranteed by, the United States of America or in specified portions which may consist of the principal of, or the interest on, such obligations.

"New Jersey COVID-19 State Emergency Fund" means the fund by that name created and established pursuant to section 13 of this act.

"Refund" or "refunding" means providing for the payment of a bond on or prior to its maturity or upon redemption or prepayment prior to maturity, as authorized in this act.

"Refunding bonds" means any bonds issued under this act to refund bonds previously issued pursuant to this act.

"State" means the State of New Jersey.

4. a. Bonds of the State of New Jersey are authorized to be issued to address the State's financial problems that have arisen as a consequence of the COVID-19 Pandemic. The bonds authorized pursuant to this section are authorized to be issued either to the federal government pursuant to any federal stimulus law as set forth in this subsection or at a public or private sale pursuant to section 11 of this act in the aggregate principal amount of up to $2,700,000,000 for the period that began July 1, 2019 and ends September 30, 2020 and in the aggregate principal amount of up to $7,200,000,000 for the period that begins October 1, 2020 and ends June 30, 2021, for a total combined aggregate principal amount of up to $9,900,000,000 issued over the two State fiscal periods. No additional borrowing is authorized. The State, acting through the Governor or through the State Treasurer with the consent of the issuing officials, in accordance with section 6 of this act, is hereby authorized to borrow from the federal government for the benefit of the State in such amounts and on such terms as the federal government sets forth in or pursuant to any federal stimulus law, subject to the limitations of this subsection. Any such monies received, as specifically authorized pursuant to this subsection, shall be considered monies deposited with the State by the government of the United States for purposes of Article VIII, Section II, paragraph 3, subparagraph e. of the Constitution of the State. Any such borrowing shall be treated as a bond for the purposes of sections 6, 7, 22, and 23 of this act.

b. Refunding bonds are authorized to be issued but only to refund bonds previously issued as specifically authorized under this act in whole or in part. Refunding bonds shall be issued in an amount not to exceed the amount necessary to pay or to provide for the payment of the principal of the outstanding bonds specifically authorized to be issued pursuant to this act to be refunded, together with any redemption premium on the outstanding bonds, any interest accrued or to accrue on the outstanding bonds to be refunded to the date of payment of those outstanding bonds, the expenses of issuing the refunding bonds and the expenses, if any, of paying the outstanding bonds to be refunded. Refunding bonds may be issued hereunder without regard to the "Refunding Bond Act of 1985," P.L.1985, c.74, as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), but only to the extent necessary for the purposes of refunding bonds issued under this act pursuant to section 4 of this act.

5. The bonds authorized under this act shall be serial bonds, term bonds, notes, or a combination thereof. The bonds authorized under this act shall be known as "New Jersey COVID-19 General Obligation Emergency Bonds." The bonds issued to the federal government under section 4 of this act shall bear such additional designation as may be required by the federal government pursuant to the applicable federal stimulus laws. All bonds shall be issued from time to time as the issuing officials shall determine, shall be issued in fully-registered form and may be certificated or in book-entry form. The bonds may be subject to redemption prior to maturity and shall mature and be paid not later than 35 years from the respective dates of their issuance. Bonds issued under this Act are authorized by and shall be issued under and in compliance with Article VIII, Section II, paragraph 3, subparagraph e. of the Constitution of the State.

6. The Governor, the State Treasurer, and the Director of the Division of Budget and Accounting in the Department of the Treasury, or any two of these officials, herein referred to as the "issuing officials," are authorized to carry out the provisions of this act relating to the issuance of bonds, and shall determine all matters in connection therewith, subject to the provisions of this act. If an issuing official is absent from the State or incapable of acting for any reason, the powers and duties of that issuing official shall be exercised and performed by the person authorized by law to act in an official capacity in the place of that issuing official.

Upon the decision by the issuing officials to issue bonds pursuant to subsection a. of section 4 of this act, and prior to the sale of those bonds, the issuing officials shall transmit a report that a decision has been made and describing the bonds proposed to be issued to the Select Commission on Emergency COVID-19 Borrowing, which shall be comprised of two members of the Senate selected by the Senate President and two members of the General Assembly selected by the Speaker of the General Assembly. The membership of the Commission shall be selected on or before the seventh day next following the effective date of this act. No bonds shall be issued unless the report of the issuing officials is approved by the Commission. The Commission shall schedule a vote to approve the report of the issuing officials following submission of the report to the Commission, which vote shall be held within six calendar days of the date of submission of the report of the issuing officials. The Commission may use any technology or electronic means to vote to approve the report of the issuing officials or to otherwise conduct its business or carry out its purposes. Approval by three or more of the members of the Commission shall constitute approval of the report. Failure of the Commission to meet or act within six days of submission of the report or to approve the report by an affirmative vote of three or more members of the Commission shall constitute disapproval. A meeting of the Commission shall require the presence of at least three members.

7. Bonds issued in accordance with the provisions of this act shall be a direct obligation of the State, and the faith and credit of the State are pledged for the payment of the interest and redemption premium, if any, thereon when due, and for the payment of the principal thereof at maturity or earlier redemption date. The principal of and interest on the bonds shall be exempt from taxation by the State or by any county, municipality, or other taxing district of the State.

8. The bonds shall be signed in the name of the State by means of the manual or facsimile signature of the Governor, and attested by the manual or facsimile signature of the Secretary of State or an Assistant Secretary of State, and shall be countersigned by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury and may be manually authenticated by an authenticating agent or bond registrar, as the issuing officials shall determine. The bonds may be issued notwithstanding that an official signing them or whose manual or facsimile signature appears on the bonds has ceased to hold office at the time of issuance, or at the time of the delivery of the bonds to the purchasers thereof. The bonds may also be executed, authenticated, and delivered by electronic means.

9. a. The bonds shall recite that they are issued for the purposes set forth in section 4 of this act, and that they are issued pursuant to this act. This recital shall be conclusive evidence of the authority of the State to issue the bonds and their validity. Any bonds containing this recital shall, in any suit, action, or proceeding involving their validity, be conclusively deemed to be fully authorized by this act and to have been issued, sold, executed, and delivered in conformity herewith and with all other provisions of laws applicable hereto, and shall be incontestable for any cause.

b. The bonds shall be issued in those denominations and in fully-registered form, and may be certificated or in book-entry form, and with or without provisions for interchangeability thereof, as may be determined by the issuing officials.

10. When the bonds are issued from time to time, the bonds of each issue shall constitute a separate series to be designated by the issuing officials. Each series of bonds shall bear such rate or rates of interest as may be determined by the issuing officials, which interest shall be payable semiannually, except that the first and last interest periods may be longer or shorter, in order that intervening semiannual payments may be at convenient dates, or as otherwise may be required by the applicable federal stimulus law.

11. a. The issuing officials may sell the bonds at a private sale, without advertisement, at such price or prices and under such terms and conditions as the issuing officials may prescribe. The issuing officials may also sell all or part of the bonds of any series to the federal government at a private sale, without advertisement. The bonds may also be issued and sold at public sale at the price or prices and under the terms, conditions and regulations as the issuing officials may prescribe, after notice of the sale, published at least once in at least three newspapers published in this State, the first notice to appear at least two days prior to the day of bidding. The notice of sale may contain a provision to the effect that any bid in pursuance thereof may be rejected.

b. In the event of any private sale of the bonds, the issuing officials are further authorized to enter into such loan agreements or similar documents as the purchaser may require. To the extent specified in any such loan or similar agreements, the terms and provisions thereof shall constitute additional provisions of the bonds and shall be entitled to the benefits of this act.

12. Until permanent bonds are prepared, the issuing officials may issue temporary bonds in the form and with those privileges as to their registration and exchange for permanent bonds as may be determined by the issuing officials.

13. The proceeds from the sale of bonds as set forth in subsection a. of section 4 of this act shall be paid to the State Treasurer, shall be held by the State Treasurer in a separate fund, which fund shall be known as the "New Jersey COVID-19 State Emergency Fund," and shall be deposited in such depositories as may be selected by the State Treasurer to the credit of the fund.

14. Amounts on deposit in the New Jersey COVID-19 State Emergency Fund shall be withdrawn by the State Treasurer for deposit into the General Fund or the Property Tax Relief Fund as needed to support appropriations made by the Legislature in the Fiscal Year 2021 Appropriations Act, and such amounts shall constitute State revenues. The balance of amounts on deposit in the New Jersey COVID-19 State Emergency Fund shall be subject to appropriation by the Legislature. However, no moneys in the New Jersey COVID-19 State Emergency Fund shall be expended except as otherwise authorized by this act.

15. a. At any time prior to the issuance and sale of bonds under this act, or borrowings from the federal government under this act, the State Treasurer is authorized to transfer from any available moneys in any fund of the treasury of the State to the credit of the New Jersey COVID-19 State Emergency Fund those sums as the State Treasurer may deem necessary. The sums so transferred shall be returned to the same fund of the treasury of the State by the State Treasurer from the proceeds of the sale of bonds, or a loan or loans by the federal government pursuant to a federal stimulus law as set forth in section 4 of this act.

b. Pending their application to the purposes provided in this act, the moneys in the New Jersey COVID-19 State Emergency Fund may be invested and reinvested as are other trust funds in the custody of the State Treasurer, in the manner provided by law. Net earnings received from the investment, reinvestment, or deposit of moneys in the New Jersey COVID-19 State Emergency Fund shall be paid into the General Fund.

16. If any bond is lost, mutilated, or destroyed, a new bond shall be executed and delivered of like tenor, in substitution for the lost, mutilated, or destroyed bond, upon the owner furnishing to the issuing officials evidence satisfactory to them of the loss, mutilation, or destruction of the bond, the ownership thereof, and security, indemnity, and reimbursement for expenses connected therewith, as the issuing officials may require.

17. The accrued interest, if any, received upon the sale of the bonds shall be applied to the discharge of a like amount of interest upon the bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, authenticating, registering, legal, or other services necessary to carry out the duties imposed upon them by the provisions of this act shall be paid from the proceeds of the sale of the bonds by the State Treasurer, upon the warrant of the Director of the Division of Budget and Accounting in the Department of the Treasury, in the same manner as other obligations of the State are paid.

18. Bonds of each series issued hereunder shall mature, including any sinking fund redemptions, not later than the 35th year from the date of issue of that series, and in amounts as shall be determined by the issuing officials. The issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem any of the bonds prior to maturity at the price or prices and upon the terms and conditions as may be provided in the bonds.

19. a. Proceeds derived from the sale of each series of refunding bonds shall be applied, together with any other moneys legally available therefor, to the payment of the expenses authorized by this act and to the immediate payment of the principal of, redemption premium, if any, and interest due on any outstanding bonds to be refunded by the refunding bonds, or, to the extent not required for that immediate payment, shall be deposited, together with any other moneys legally available therefor, in trust with the State Treasurer, to be held separate and apart from all other funds of the State, or, at the direction of the issuing officials, in trust with one or more trustees or escrow agents, which trustees or escrow agents shall be trust companies or national or state banks having powers of a trust company, located either within or without the State. Proceeds or moneys deposited in trust with the State Treasurer or with one or more trustees or escrow agents shall be applied solely to the payment when due of the principal of, redemption premium, if any, and interest due and to become due on those outstanding bonds to be refunded on or prior to the redemption date or maturity date of the outstanding bonds, as the case may be. Proceeds or moneys so held by the State Treasurer or deposited with trustees or escrow agents may be invested in government securities (including government securities issued or held in book-entry form on the books of the Department of the Treasury of the United States); except that those government securities shall not be subject to redemption prior to their maturity other than at the option of the holder thereof. Except as provided in subsection b. of this section 19, neither government securities nor moneys so deposited with the State Treasurer or with trustees or escrow agents shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, redemption premium, if any, and interest on the outstanding bonds to be refunded by the refunding bonds; except that any cash received from principal or interest payments on government securities deposited with the State Treasurer or with trustees or escrow agents: (1) to the extent that the cash will not be required at any time for that purpose, shall be paid

over to the State as received by the State Treasurer or by the trustees or escrow agents, and (2) to the extent that cash will be required for that purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in government securities maturing at times and in amounts sufficient to pay when due the principal of, redemption premium, if any, and interest to become due on the outstanding bonds on and prior to the redemption date or maturity date of the outstanding bonds, as the case may be, and interest earned from those reinvestments to the extent not required for the payment of bonds shall be paid over to the State, as received by the State Treasurer or by the trustees or escrow agents.

b. Notwithstanding anything to the contrary contained in this section: (1) the State Treasurer or trustees or escrow agents shall, if so directed by the issuing officials, apply moneys on deposit with the State Treasurer or the trustees or escrow agents pursuant to the provisions of this section and redeem or sell government securities so deposited with the State Treasurer or the trustees or escrow agents and apply the proceeds thereof to: (a) the purchase of the outstanding bonds which were refunded by the deposit with the State Treasurer or the trustees or escrow agents of the moneys and government securities and immediately thereafter cancel all outstanding bonds so purchased or (b) the purchase of different government securities; except that the moneys and government securities on deposit with the State Treasurer or the trustees or escrow agents after the purchase and cancellation of the outstanding bonds or the purchase of different government securities shall be sufficient to pay, when due, the principal of, redemption premium, if any, and interest on all other outstanding bonds in respect of which the moneys and government securities were deposited with the State Treasurer or the trustees or escrow agents on or prior to the redemption date or maturity date of the outstanding bonds, as the case may be; and (2) if on any date, as a result of any purchases and cancellations of outstanding bonds or any purchases of different government securities as provided in this subsection, the total amount of moneys and government securities remaining on deposit with the State Treasurer or the trustees or escrow agents is in excess of the total amount which would have been required to be deposited with the State Treasurer or the trustees or escrow agents on that date in respect of the remaining outstanding bonds for which the deposit was made in order to pay when due the principal of, redemption premium, if any, and interest on those remaining outstanding bonds, the State Treasurer or the trustees or escrow agents shall, if so directed by the issuing officials, pay the amount of that excess to the State.

c. Any amounts held by the State Treasurer in a separate fund for the payment of the principal of and interest on outstanding bonds to be refunded, as provided in this section, shall, if so directed by the issuing officials, be transferred by the State Treasurer for deposit with one or more trustees or escrow agents as provided in this section, to be applied to the payment when due of the principal of, redemption premium, if any, and interest to become due on those outstanding bonds, as provided in this section.

d. The State Treasurer is authorized, upon direction of the issuing officials, to enter into contracts with one or more trust companies or national or state banks, to act as trustees or escrow agents as provided in this section, on terms and conditions as shall be approved by the issuing officials.

20. Any bond or bonds issued hereunder that have been refunded shall no longer be deemed to be outstanding, shall no longer constitute a direct obligation of the State of New Jersey, and the faith and credit of the State shall no longer be pledged to the payment of the principal of, redemption premium, if any, and interest on such bonds, and such bonds shall be secured solely by and payable solely from moneys and government securities deposited in trust with one or more trustees or escrow agents, which trustees and escrow agents shall be trust companies or national or state banks having powers of a trust company, located either within or without the State, as provided herein, whenever there shall be deposited in trust with the trustees or escrow agents, as provided herein, either moneys or government securities, including government securities issued or held in book-entry form on the books of the Department of the Treasury of the United States, the principal of and interest on which when due will provide money which, together with the moneys, if any, deposited with the trustees or escrow agents at the same time, shall be sufficient to pay when due the principal of, redemption premium, if any, and interest due and to become due on the bonds on or prior to the redemption date or maturity date thereof, as the case may be; provided the government securities shall not be subject to redemption prior to their maturity other than at the option of the holder thereof. The State of New Jersey hereby covenants with the holders of any bonds for which government securities or moneys shall have been deposited in trust with the trustees or escrow agents as provided in this section that, except as otherwise provided in this section, neither the government securities nor moneys so deposited with the trustees or escrow agents shall be withdrawn or used by the State for any purpose other than, and shall be held in trust for, the payment of the principal of, redemption premium, if any, and interest to become due on the bonds; provided that any cash received from the principal or interest payments on the government securities deposited with the trustees or escrow agents, to the extent such cash will not be required at any time for that purpose, shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien, pledge, or assignment securing the bonds; and to the extent the cash will be required for that purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in government securities maturing at times and in amounts sufficient to pay when due the principal of, redemption premium, if any, and interest to become due on the bonds on and prior to the redemption date or maturity date thereof, as the case may be, and interest earned from the reinvestments shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien, or pledge securing the bonds. Notwithstanding anything to the contrary contained herein: a. the trustees or escrow agents shall, if so directed by the issuing officials, apply moneys on deposit with the trustees or escrow agents pursuant to the provisions of this section, and redeem or sell government securities so deposited with the trustees or escrow agents, and apply the proceeds thereof to (1) the purchase of the bonds which were refunded by the deposit with the trustees or escrow agents of the moneys and government securities and immediately thereafter cancel all bonds so purchased, or (2) the purchase of different government securities; provided however, that the moneys and government securities on deposit with the trustees or escrow agents after the purchase and cancellation of the bonds or the purchase of different government securities shall be sufficient to pay when due the principal of, redemption premium, if any, and interest on all other bonds in respect of which the moneys and government securities were deposited with the trustees or escrow agents on or prior to the redemption date or maturity date thereof, as the case may be; and b. in the event that on any date, as a result of any purchases and cancellations of bonds or any purchases of different government securities, as provided in this sentence, the total amount of moneys and government securities remaining on deposit with the trustees or escrow agents is in excess of the total amount then required to be on deposit with the trustees or escrow agents on that date in respect of the remaining bonds for which the deposit was made in order to pay when due the principal of, redemption premium, if any, and interest on the remaining bonds, the trustees or escrow agents shall, if so directed by the issuing officials, pay the amount of the excess to the State, free and clear of any trust, lien, pledge, or assignment securing the refunding bonds.

21. Refunding bonds issued pursuant to this act may be consolidated with other bonds issued pursuant to section 4 of this act or with bonds or refunding general obligation bonds issued pursuant to any other act for purposes of sale.

22. To provide funds to meet the interest and principal payment requirements for the bonds, including refunding bonds, issued under this act and outstanding, there is appropriated in the order following:

a. Revenue derived from the collection of taxes under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or so much thereof as may be required; and

b. If, at any time, funds necessary to meet the interest, redemption premium, if any, and principal payments on outstanding bonds issued under this act are insufficient or not available, there shall be assessed, levied, and collected annually in each of the municipalities of the counties of this State, a tax on the real and personal property upon which municipal taxes are or shall be assessed, levied, and collected, sufficient to meet the interest on all outstanding bonds issued hereunder and on the bonds proposed to be issued under this act in the calendar year in which the tax is to be raised and for the payment of bonds falling due in the year following the year for which the tax is levied. The tax shall be assessed, levied, and collected in the same manner and at the same time as are other taxes upon real and personal property. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which the municipality is located, on or before December 15 in each year, the amount of tax herein directed to be assessed and levied, and the county treasurer shall pay the amount of the tax to the State Treasurer on or before December 20 in each year.

If on or before December 31 in any year, the issuing officials, by resolution, determine that there are moneys in the General Fund beyond the needs of the State, sufficient to pay the principal of bonds falling due and all interest and redemption premium, if any, payable in the ensuing calendar year, the issuing officials shall file the resolution in the office of the State Treasurer, whereupon the State Treasurer shall transfer the moneys to a separate fund to be designated by the State Treasurer, and shall pay the principal, redemption premium, if any, and interest out of that fund as the same shall become due and payable, and the other sources of payment of the principal, redemption premium, if any, and interest provided for in this section shall not then be available, and the receipts for the year from the tax specified in subsection a. of this section shall be considered and treated as part of the General Fund, available for general purposes.

23. Should the State Treasurer, by December 31 of any year, deem it necessary, because of the insufficiency of funds collected from the sources of revenues as provided in this act, to meet the interest and principal payments for the year after the ensuing year, then the State Treasurer shall certify to the Director of the Division of Budget and Accounting in the Department of the Treasury the amount necessary to be raised by taxation for those purposes, the same to be assessed, levied, and collected for and in the ensuing calendar year. The director shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied, and collected in each county as herein set forth. This calculation shall be based upon the corrected assessed valuation of each county for the year preceding the year in which the tax is to be assessed, but the tax shall be assessed, levied, and collected upon the assessed valuation of the year in which the tax is assessed and levied. The director shall certify the amount to the county board of taxation and the treasurer of each county. The county board of taxation shall include the proper amount in the current tax levy of the several taxing districts of the county in proportion to the ratables as ascertained for the current year.

24. This act shall take effect immediately.

Approved July 16, 2020.

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