

RESOLUTION NO. 18 - 43

RESOLUTION GUARANTEEING REMITTANCE OF I-BANK SHARE OF SOCIAL SECURITY COVERAGE AND PENSION CONTRIBUTIONS OF ITS EMPLOYEES

WHEREAS, the New Jersey Infrastructure Bank (the “I-Bank”) was organized and exists pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (N.J.S.A. 58:11B-1 *et seq.*) (the “Act” attached hereto as Appendix 1), as an independent authority, “in but not of” the Department of Environmental Protection (“DEP”) to provide essential governmental services for the purpose of making loans to local government units or water purveyors to finance the cost of wastewater or water supply projects; and

WHEREAS, pursuant to the Act, specifically, Section 5(h) thereof, the I-Bank is an independent state authority with the power to, among other things, hire, promote and fire its employees without regard to Title 11; and

WHEREAS, notwithstanding the I-Bank’s authority to administer all aspects of its payroll and human resource functions, since its inception in 1986, the DEP has provided Human Resource services to the I-Bank, including but not limited to administration, payroll and pension and benefits; and

WHEREAS, in October 2016, P.L. 2016, c. 56 amended the Enabling Act to expand the scope of its authority, granting the I-Bank the authorization to finance certain local transportation infrastructure projects and establishing the I-Bank as an independent authority “in but not of” Treasury subject to the appropriation of fund for loans and administrative expenses; and

WHEREAS, on January 16, 2018, when the I-Bank was officially made operable by passage of appropriations that fund the administrative expenses of the I-Bank, the DEP and the I-Bank entered a Memorandum of Agreement whereby the DEP shall terminate provision of HR services to the I-Bank effective upon and in accordance with the terms of a successor agreement for the provision of HR services; and

WHEREAS, it is the intention of the I-Bank to continue to provide pension and benefits to its employees through the New Jersey State administered retirement systems and Health Benefit systems under a successor agreement for the provision of HR services; and

WHEREAS, in order for the I-Bank to assume its role as an employer participating in the public retirement systems administered by the Division of Pensions and Benefits, it must be included in the State of New Jersey’s agreement with the Social Security Administration (“Section 218 Agreement”); and

WHEREAS, the Division of Pensions and Benefits requires that, in order for the I-Bank to be included in the Section 218 Agreement, the I-Bank must guarantee the remittance of the I-Bank’s share of Social Security coverage and the pension contributions for its employees by resolution of the Board of Directors.

NOW THEREFORE BE IT RESOLVED, that the I-Bank guarantees the remittance of the I-Bank's share of Social Security coverage and the pension contributions for its employees.

Adopted Date: June 18, 2018

Motion Made By: Mr. Robert Long

Motion Seconded By: Mr. Michael Kanef

Ayes: 7

Nays: 0

Abstentions: 0