

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 2593**

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 27, 2022

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 2593 SCS.

The bill requires the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (MVC) to provide a temporary one-year extension of the service life of school buses for the 2022-2023 school year upon request by the owner of a school bus. For the 2023-2024 school year and 2024-2025 school year, the chief administrator is authorized to allow an additional year of service for any school bus that would otherwise be required to be retired in 2023 or 2024 pursuant to New Jersey law, provided that any inspections of the school bus determine that the school bus may safely be used for pupil transportation. The bill prohibits the chief administrator from granting a school bus more than one extension pursuant to the bill.

For any year that the service life of school buses is extended, the chief administrator is required to provide a report to the Governor and the Legislature concerning the extension.

COMMITTEE AMENDMENTS:

The committee amendments clarify that school buses used for pupil transportation in the 2021-2022 school year that would otherwise be required to be retired in 2022 pursuant to statute are to have their retirement date extended for a period of one year. The amendments provide that the extension is to be granted by the Chief Administrator of the New Jersey Motor Vehicle Commission upon request by the owner of a school bus.

The amendments also clarify that extensions in subsequent years allowed under the bill, at the discretion of the chief administrator, may not be granted to school buses that have already received a one-year extension and may only be granted to school buses that would otherwise be required to be retired in 2023 or 2024, as appropriate. The amendments provide that these extensions may be granted upon request by the owner of a school bus.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that the bill will likely result in a decrease in local costs for the 2022-2023 school year by delaying school districts' need to purchase new school buses by one year. The cost is indeterminate because it is unclear how many school bus owners will request an extension and, therefore, how many school buses will have their service lives extended. The OLS estimates that the bill may result in an indeterminate decrease in local costs in the 2023-2024 school year and 2024-2025 school year if the New Jersey Motor Vehicle Commission further extends the service lives of school buses as authorized under the bill. The bill will likely increase the commission's workload for up to three years due to the requirement to report to the Governor and Legislature concerning the extension of the service lives of school buses. The cost of this reporting requirement is unknown but should be producible by current commission staff using existing resources.