

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2403
STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: JULY 6, 2026

SUMMARY

Synopsis:	Directs BPU to adopt rules and regulations incentivizing solar energy generation in roadside rights-of-way.
Type of Impact:	Time-limited increase in State expenditures; potential State revenue increase.
Agencies Affected:	New Jersey Board of Public Utilities; Department of Transportation; Department of Environmental Protection.

Office of Legislative Services Estimate

Time-Limited Fiscal Impact	
State Expenditure Increase	Indeterminate
Potential State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill may result in an indeterminate increase in State expenditures to the New Jersey Board of Public Utilities attributable to adopting rules and regulations within 180 days to incorporate roadside right-of-way solar energy projects into existing solar incentive programs. Although administrative in nature, the OLS anticipates that the board will be able to absorb the additional responsibilities using existing staff and resources.
- Additional administrative State expenditure increases may be experienced by the Department of Transportation and the Department of Environmental Protection to the extent that those departments assist the board in developing regulations or reviewing proposed projects.
- The OLS notes that the bill permits the board to establish a fee as part of the application process. This provision may offset, to some extent, the State administrative cost associated with developing regulations or reviewing proposed projects.



BILL DESCRIPTION

This bill directs the Board of Public Utilities to adopt rules and regulations within 180 days to incorporate roadside right-of-way solar energy projects within the board's solar incentive programs. The board is to incentivize the construction, installation, and operation of projects that are connected to the distribution or transmission system owned or operated by an electric public utility; and located on roadside rights-of-way owned by State or local government units.

The board is authorized to consult with the Department of Transportation and the Department of Environmental Protection in adopting rules and regulations under the bill. To the extent possible, these rules and regulations are to include, among other provisions outlined in the bill: project capacity limits, annual capacity targets, certain siting restrictions subject to waiver, emissions offset criteria, project criteria, project evaluation standards, installation and decommissioning procedures, application criteria, and standards to minimize traffic disruption, safety obstructions, and other land use impacts. Finally, the bill provides that a project incentivized by the board is to be a permitted use within every municipality in the State.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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The OLS notes that the bill permits the board to establish a fee as part of the application process. This provision may offset, to some extent, the State administrative cost associated with developing regulations or reviewing proposed projects.

Additional administrative State expenditure increases may be experienced by the Department of Transportation and the Department of Environmental Protection to the extent that those departments assist the board in developing regulations or reviewing proposed projects. Department of Transportation costs may potentially include review of traffic safety, roadway access, future road expansion and right-of-way use. Department of Environmental Protection costs may potentially include environmental impacts, review of stormwater runoff, and other related siting criteria.

Section: Authorities, Utilities, Transportation and Communications

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).