ASSEMBLY, No. 5619

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JUNE 17, 2019

Sponsored by:
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District 38 (Bergen and Passaic)
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SYNOPSIS

Requires all motorbuses purchased for public transportation service to be electric-powered by 2029.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 8/26/2019)

AN ACT concerning the purchase of motorbuses for motorbus regular route service, supplementing Title 27, and amending P.L.1984, c.73 of the Revised Statutes.

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

1. (New section) As used in P.L. , c. (C.) (pending before the Legislature as this bill):

"Electric motorbus" means a motorbus which uses one or more electric motors for propulsion and does not have a combustion engine.

"Motorbus regular route service" means the operation of any motorbus or motorbuses on streets, public highways, or other facilities, over a fixed route and between fixed termini on a regular schedule for the purpose of carrying passengers, for hire or otherwise, within this State or between points in this State and points in other states.

"Public entity" means the State and any county, municipality, district, or other political subdivision thereof, and any agency, authority, commission, corporation, department, or instrumentality of the State or any county, municipality, district, or other political subdivision thereof.

2. (New section) a. Commencing with the State fiscal year beginning on July 1, 2024, no less than 25 percent of the new buses purchased by a public entity, for use in motorbus regular route service that is provided by a public entity, shall be electric motorbuses.

b. Commencing with the State fiscal year beginning on July 1, 2029, all of the new buses purchased by a public entity, for use in motorbus regular route service that is provided by a public entity, shall be electric motorbuses.

c. Commencing with the State fiscal year beginning on July 1, 2019, each public entity that provides motorbus regular route service shall make necessary preparations to begin the transition to electric motorbuses, including but not limited to, the training of bus drivers and maintenance personnel for the use and upkeep of electric motorbuses, retrofitting garages and other service equipment for the use of electric motorbuses, and identification of specifications and performance measures that an electric motorbus shall meet to adequately replace the existing motorbus fleet of the public entity. These preparations shall begin in the fiscal year beginning on July 1, 2019, and shall proceed in subsequent fiscal years in a prudent manner.

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 <u>thus</u> is new matter.

3. (New section) Not later than March 1, 2023, the New Jersey Transit Corporation, established pursuant to section 4 of P.L.1979, c.150 (C.27:25-4), and each public entity or county operating motorbus service under the Senior Citizen and Disabled Resident Transportation Assistance Program, established pursuant to section 4 of P.L.1983, c.578 (C.27:25-28), shall provide a report to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), which identifies the actions taken in preparation for the transition to electric motorbuses required pursuant to P.L. , c. (C.) (pending before the Legislature as this bill), the status of each entity in training staff and equipping facilities for the use of electric motorbuses, a schedule from each entity for their planned transition to electric motorbuses, an evaluation of whether the capabilities of electric motorbuses will be sufficient to provide a comparable level of service to that of the existing motorbus fleet, and the projected cost of transitioning to an electric motorbus fleet relative to replacement and maintenance of the existing fleet in the absence of the requirements under P.L. , c. (C.) (pending before the Legislature as this bill).

4. Section 22 of P.L.1984, c.73 (C. 27:1B-22) is amended to read as follows:

22. The commissioner shall prepare and submit the following reports to the Governor, the Legislature, and the Transportation Policy Review Board, established pursuant to section 6 of P.L.2006, c.3 (C.27:1B-22.2) under the terms set forth below: a Transportation Master Plan, a Statewide Capital Investment Strategy, an Annual Transportation Capital Program, a Transportation Trust Fund Authority Financial Plan, and a Five-Year Capital Plan.

a. To the end that the transportation system of the State shall be planned in an orderly and efficient manner and that the Legislature shall be advised of the nature and extent of public highways, public transportation projects and other transportation projects contemplated to be financed under [this act] <u>P.L.1984, c.73 (C.27:1B-1 et seq.)</u>, the department shall submit a master plan, as provided in subsection (a) of section 5 of P.L.1966, c.301 (C.27:1A-5). Notwithstanding the provisions of [that act] <u>P.L.1966, c.301 (C.27:1A-1 et seq.)</u>, the plan shall be for a period of five years and shall be submitted to the Commission on Capital Budgeting and Planning, the Chairman of the Senate Transportation Committee and the Chairman of the Assembly Transportation and Independent Authorities Committee, or their successors, and the Legislative Budget and Finance Officer, and the metropolitan planning organizations, on or before March 1, 2001, and at five-year intervals thereafter. The master plan shall set the direction for the department's overall Capital Investment Strategy and subsequent annual Transportation Capital Programs submitted to the

Legislature for approval pursuant to this section. This master plan shall, to the extent practicable, conform to all federal requirements for Statewide transportation planning.

b. The Department of Transportation, in conjunction with the New Jersey Transit Corporation, the New Jersey Turnpike Authority, and the South Jersey Transportation Authority, shall prepare a "Statewide Capital Investment Strategy" for at least a five-year period which shall contain, at a minimum, a statement of the goals of the department, the corporation, and the toll road authorities in major selected policy areas and the means by which the goals are to be attained during that period, using quantitative measures where appropriate. The Statewide Capital Investment Strategy may be updated and submitted no later than March 1 of each year. The Statewide Capital Investment Strategy shall provide for a multi-modal, intermodal, seamless, technologically advanced, and secure transportation system. It shall recommend investment for major program categories, set overall goals for investment in the State's infrastructure, and develop program targets and performance measures. It may rely on infrastructure management systems as developed by the department to assess bridge conditions, pavement conditions, bridge, traffic and pedestrian safety, traffic congestion and public transit facilities. With respect to pavement conditions, the department shall set as a priority the utilization of efficient cost-effective materials and treatments as stated in section 9 of P.L.2000, c.73 (C.27:1B-21.22). In the event that there exist appropriate circumstances for the use of micro-surfacing and cold-in-place recycling, the department shall establish as a special priority the use of these materials and surface treatments. The goals of the Capital Investment Strategy shall include, but not be limited to, reduction of vehicular and pedestrian accidents, reduction in the backlog of projects, including one-half of the structurally deficient bridge repair projects and pavement deficiencies, and an increase in lane miles of bicycle paths, with a goal of constructing an additional 1,000 lane miles of bicycle paths in five years to reduce traffic congestion and for recreational uses. The construction of bicycle and pedestrian lanes, paths and facilities shall be subject to no stricter environmental requirements than are provided pursuant to federal law and regulations for such lanes, paths and facilities, notwithstanding the provisions to the contrary of State law and regulations, including State Executive Order No. 215 of 1989. With respect to the New Jersey Transit Corporation, the Statewide Capital Investment Strategy shall deal with the corporation's overall goal to keep the public transportation system in a state of good repair and, more specifically, in the area of bus transportation, present a strategy and a preliminary timetable for the replacement of the current diesel bus fleet with a fleet of buses which have reduced emission of air pollutants. The corporation shall consider the feasibility of buses with improved pollution controls and that

reduce particulate emissions and buses powered by fuel other than conventional diesel fuel [, such as compressed natural gas vehicles, hybrid vehicles, fuel cell vehicles, biodiesel vehicles, vehicles operated on ultra low sulfur fuel, and vehicles operated on any other bus fuel approved by the United States Environmental Protection Agency]. The corporation may consider as part of its strategy, cooperative efforts with bus manufacturers, and the solicitation of federal support, in developing a "clean bus" with air pollution controls superior to currently available technology. For the fiscal year beginning July 1, 2007 [and each fiscal year thereafter] through the fiscal year beginning July 1, 2023, all buses purchased by the New Jersey Transit Corporation shall be buses with improved pollution controls and that reduce particulate emissions, or buses powered by fuel other than conventional diesel fuel[, such as compressed natural gas vehicles, hybrid vehicles, fuel cell vehicles, biodiesel vehicles, vehicles operated on ultra low sulfur fuel, or vehicles operated on any other bus fuel approved by the United States Environmental Protection Agency]. In the event that the corporation is not able to meet the bus purchase requirements set forth in this section with respect to any fiscal year prior to the fiscal year beginning July 1, 2024, prior to the commencement of the fiscal year, the board of the corporation shall, by resolution, submit a report to the Legislature detailing its inability to meet the requirements and the reasons therefor and shall submit the report to the Senate and General Assembly when both houses are in session, including therein a request to be exempted from the bus purchase requirements of this section with regard to the fiscal year in question. The President of the Senate and the Speaker of the General Assembly shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly. If a joint resolution approving the exemption is passed by the Legislature and signed by the Governor prior to the commencement of the fiscal year in question, the corporation shall be exempt from the requirements for that fiscal year. Commencing with the State fiscal year beginning July 1, 2024, and each fiscal year thereafter, the purchase of motorbuses, including the transition to lower emission motorbuses, shall be governed by the provisions of section 2 of P.L. , c. (C.) (pending before the Legislature as this bill).

In the fiscal year beginning on July 1, 2007 and in each fiscal year thereafter, in the year prior to the year in which final engineering is anticipated to start on any project which extends the reach of the New Jersey Transit rail or light rail system, the New Jersey Transit Corporation shall be required to identify and include in the annual Statewide Capital Investment Strategy the required State financial assistance to support operation of the incremental service for the first three years and the projected fare box recovery

ratio at the commencement of the fourth year of operation of each project.

The Statewide Capital Investment Strategy shall also detail the planned investment of capital funds for public transportation projects of companies other than the New Jersey Transit Corporation engaged in the business of providing motor bus transportation. The Statewide Capital Investment Strategy shall demonstrate that such investment adequately addresses the finding in section 2 of P.L.1979, c.150 (C.27:25-2) that in the provision of public transportation services it is desirable to encourage to the maximum extent feasible the participation of private enterprise.

c. On or before March 1 of each year, the commissioner shall submit a report of general project categories and proposed projects thereunder to be financed in the ensuing fiscal year, including therewith a description of the projects, the county or counties and municipality or municipalities within which they are to be located, a distinction between State and local projects, an identification number for each project that can be used to cross reference any project in the State's federal Statewide Transportation Improvement Program, the project phase of work, investment category, project sponsor, governmental entity with jurisdiction over the project and associated infrastructure, the amount estimated to be expended on each project in the year of appropriation, and an estimate of the total project cost. This report shall be known as the "Annual Transportation Capital Program" for the upcoming fiscal year. It shall include proposed projects of both the Department of Transportation and the New Jersey Transit Corporation. The program shall be consistent with, and reflective of, the goals and priorities of the Capital Investment Strategy and the program shall include an explanation which demonstrates how it is consistent with, and reflective of, the goals and priorities.

d. On or before March 1 of each year, the commissioner shall also submit a "Transportation Trust Fund Authority Financial Plan" designed to implement the financing of the proposed projects. The financial plan shall contain an enumeration of the bonds, notes or other obligations of the authority which the authority intends to issue, including the amounts thereof and the conditions therefor. The financial plan shall set forth a complete operating and financial statement covering the authority's proposed operations during the ensuing fiscal year, including amounts of income from all sources, including but not limited to the proceeds of bonds, notes or other obligations to be issued, as well as interest earned. In addition, the plan shall contain proposed amounts to be appropriated and expended, as well as amounts for which the department anticipates to obligate during the ensuing fiscal year for any future expenditures.

e. The Statewide Capital Investment Strategy, the Annual Transportation Capital Program, and the Transportation Trust Fund

Authority Financial Plan shall be submitted to the Senate and General Assembly. Within 45 days of the receipt thereof, the Senate or the General Assembly may object in writing to the commissioner in regard to any project or projects in the Annual Transportation Capital Program it disapproves or which it is of the opinion should be modified or added to or any additional or alternative projects considered or in regard to any element of the financial plan. The commissioner shall consider the objections and recommendations and resubmit the report within 10 days, containing therein any modifications based upon the commissioner's consideration of the objections or recommendations.

f. In order that the Legislature shall be advised of the nature and extent of public highways, public transportation projects, and other transportation projects contemplated to be financed under this act, the commissioner shall submit annually, together with the Annual Transportation Capital Program, a Five-Year Capital Plan, which shall set forth projects and programs anticipated to be funded over the five-year period. The Five-Year Capital Plan shall, to the extent practicable, conform to all federal requirements for Statewide transportation capital programming.

(cf: P.L.2016, c.56, s.6)

5. This act shall take effect immediately.

STATEMENT

This bill requires that motorbuses purchased by public entities, including the New Jersey Transit Corporation (NJ Transit), to transition to electric motorbuses. Beginning in FY 2025, 25 percent of the new motorbuses purchased by each public entity for regular route service provided by a public entity must be electric motorbuses. Beginning in FY 2030, all of the new motorbuses purchased by each public entity for regular route service provided by a public entity must be electric motorbuses. The bill also requires public entities to begin preparing for this transition starting in FY 2020 by starting to identify specifications needed for electric motorbus purchases, and beginning the process of training employees in the use and maintenance of electric motorbuses, and retrofitting garages and other service equipment for the use of electric buses.

The bill requires NJ Transit and county transportation services to each provide a report the Governor and the Legislature by March 1, 2023, which documents their progress in preparing for the gradual transition to electric motorbuses beginning in FY 2025, including updates on the preparations they began making in FY 2020, a schedule for their planned transition to electric motorbuses, an analysis of whether electric motorbuses will be sufficient to replace

the existing motorbus fleet, and the potential fiscal impact of the transition to an electric motorbus fleet relative to maintenance and upkeep of the fleet with non-electric motorbuses.

The bill also amends the requirements of the Statewide Capital Investment Strategy as they apply to NJ Transit. Currently, NJ Transit is required to transition its diesel bus fleet to lower emission alternatives. This bill sunsets that requirement in FY 2024, so that beginning in FY 2025 the requirements under this bill for the electrification of the motorbus fleet are put in place, which will eventually result in a zero emission fleet.