

ASSEMBLY, No. 1626

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Co-Sponsored by:

Assemblymen Benson, Zwicker, Kennedy, Assemblywoman Chaparro,

Assemblyman Calabrese and Assemblywoman Reynolds-Jackson

SYNOPSIS

Requires EDA to establish loan program for certain costs of electric-powered school bus purchases by local school districts and school bus contractors.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 11/8/2021)

1 **AN ACT** concerning loans for certain costs of electric-powered
 2 school bus purchases and supplementing P.L.1974, c.80
 3 (C.34:1B-1 et seq.).
 4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*
 7

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

10 “Authority” means the New Jersey Economic Development
 11 Authority established pursuant to section 4 of P.L.1974, c.80
 12 (C.34:1B-4).

13 “Incremental costs” means the difference between the total costs
 14 of purchasing an electric-powered school bus and associated
 15 electric charging and service equipment and the total costs of
 16 purchasing a diesel or gasoline-powered school bus of like-kind.

17 “Local school district” shall have the same meaning as provided
 18 in section 3 of P.L.1991, c.393 (C.18A:12-23).

19 “School bus” shall have the same meaning as provided in
 20 R.S.39:1-1.

21 “School bus contractor” means a business that has entered into a
 22 contract with a local school district to transport children to and from
 23 a primary or secondary school of the local school district.
 24

25 2. a. The New Jersey Economic Development Authority, in
 26 consultation with the Department of Education and the New Jersey
 27 Motor Vehicle Commission, shall develop and administer a loan
 28 program to facilitate the acquisition of electric-powered school
 29 buses by local school districts and school bus contractors.

30 b. A local school district or school bus contractor applying for
 31 a loan pursuant to this section shall apply to the authority, in a form
 32 and manner as determined by the authority, and an application shall
 33 include such information as the authority determines is necessary in
 34 consideration of the provisions of P.L. , c. (C.) (pending
 35 before the Legislature as this bill).

36 c. The authority shall review each complete application and
 37 approve any application that meets the requirements of this section
 38 and the rules and regulations adopted pursuant to section 3 of
 39 P.L. , c. (C.) (pending before the Legislature as this bill).

40 d. The authority shall enter into a loan agreement with a local
 41 school district or school bus contractor that has received application
 42 approval, pursuant to subsection c. of this section. Under the loan
 43 agreement, the authority shall only provide a loan for the
 44 incremental costs to a local school district or school bus contractor
 45 of purchasing electric-powered school buses for use by a local
 46 school district or school bus contractor. A loan under this section
 47 shall bear interest at rates and terms deemed appropriate by the
 48 authority and shall contain other terms and conditions considered

1 appropriate by the authority that are consistent with the purposes of
2 P.L. , c. (C.) (pending before the Legislature as this bill)
3 and with the rules and regulations adopted by the authority pursuant
4 to section 3 of P.L. , c. (C.) (pending before the Legislature
5 as this bill).

6 e. The authority may, either through the adoption of rules and
7 regulations, or through the terms of the loan agreement made
8 pursuant to subsection d. of this section, establish terms governing
9 the incidence of default by a local school district or school bus
10 contractor that receives a loan under the program administered
11 pursuant to P.L. , c. (C.) (pending before the Legislature as
12 this bill).

13
14 3. The New Jersey Economic Development Authority, in
15 consultation with the Department of Education and the New Jersey
16 Motor Vehicle Commission, shall, pursuant to the “Administrative
17 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), promulgate
18 rules and regulations to effectuate the purposes of
19 P.L. , c. (C.) (pending before the Legislature as this bill).

20
21 4. This act shall take effect immediately.

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24 STATEMENT

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26 This bill requires the New Jersey Economic Development
27 Authority (authority), in consultation with the Department of
28 Education and the New Jersey Motor Vehicle Commission, to
29 develop and administer a loan program to facilitate the acquisition
30 of electric-powered school buses by local school districts and
31 school bus contractors. The authority is to enter into a loan
32 agreement with a local school district or school bus contractor that
33 has received loan program application approval. Under the loan
34 agreement, the authority is to provide a loan for the cost differential
35 to a local school district or school bus contractor of purchasing an
36 electric-powered school bus instead of a diesel or gasoline-powered
37 school bus of like-kind for use by the local school district or school
38 bus contractor. Under the bill, a loan is to bear interest at rates and
39 terms deemed appropriate by the authority and contain other terms
40 and conditions considered appropriate by the authority that are
41 consistent with the purposes of the bill and with the rules and
42 regulations adopted by the authority to administer the loan program.