[Second Reprint]

ASSEMBLY, No. 4899

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED OCTOBER 29, 2020

Sponsored by:
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SYNOPSIS

Expands existing plug-in electric vehicle incentive program to include incentives for eligible plug-in electric motorcycles.

CURRENT VERSION OF TEXT

As amended by the General Assembly on March 25, 2021.

(Sponsorship Updated As Of: 6/24/2021)

AN ACT concerning incentives for the purchase or lease of plug-in electric motorcycles [1]**[**and**]** ,[1] amending P.L.2019, c.362 and P.L.2007, c.340 [1], and supplementing P.L.1966, c.30 (C.54:32B-1 et seq.)[1] .

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

1. Section 2 of P.L.2019, c.362 (C.48:25-2) is amended to read as follows:

2. As used in sections 1 through 11 of P.L.2019, c.362 (C.48:25-1 et seq.):

"Board" means the Board of Public Utilities.

"Charger ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of electric vehicle service equipment, including, but not limited to, Level Two EVSE and DC Fast Chargers.

"Charging location" means a publicly accessible parking space or set of parking spaces, with visible signage designating that the parking space or parking spaces are available for use by the public for charging plug-in electric vehicles.

"Community location" means a charging location that is not a corridor location, and that is established in a town center, commercial area, retail center, or near concentrations of multi-family dwellings, to provide vehicle charging services to local plug-in electric vehicle drivers near where they live and work.

"Corridor location" means a charging location located along a travel corridor roadway, or within one mile of that roadway, which is intended to provide access to vehicle charging services for long distance drivers and en route vehicle charging services for local drivers.

"DC Fast Charger" means EVSE that provides at least 50 kilowatts of direct current electrical power for charging a plug-in electric vehicle through a connector based on fast charging equipment standards, and which is approved for installation for that purpose under the National Electric Code through an Underwriters Laboratories Certification or an equivalent certifying organization.

"Department" means the Department of Environmental Protection.

"Electric vehicle service equipment" or "EVSE" means the equipment, including the cables, cords, conductors, connectors, couplers, enclosures, attachment plugs, power outlets, switches and controls, network interfaces, and point of sale equipment and associated apparatus designed and used for the purpose of

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 thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1]Assembly AEN committee amendments adopted February 22, 2021.
[2]Assembly floor amendments adopted March 25, 2021.

transferring energy from the electric supply system to a plug-in electric vehicle. "EVSE" may deliver either alternating current or direct current electricity consistent with fast charging equipment standards.

[2]"Eligible light duty vehicle" means a new light duty plug-in electric vehicle that has an MSRP below $55,000, is purchased or leased after the effective date of P.L.2019, c.362 (C.48:25-1 et al.), and is registered in New Jersey.

"Eligible motorcycle" means a new plug-in electric motorcycle that has an MSRP below $30,000, is purchased or leased after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), and is registered in New Jersey.[2]

"Fast charging equipment standards" means standards for high power direct current charging, based on the CHAdeMO standard and the Society of Automotive Engineers Combined Charging Standard (CCS), or other non-proprietary standards as may be approved by the board in the future.

[2][~~"Eligible vehicle" means a new light duty plug-in electric vehicle or a new plug-in electric motorcycle, with an MSRP of below $55,000, purchased or leased after the effective date of P.L.2019, c.362 (C.48:25-1 et al.) and registered in New Jersey.~~]2

"In-home electric vehicle service equipment" means electric vehicle service equipment used in a person's home to charge a plug-in electric vehicle.

"Level One EVSE" means EVSE that provides single phase 120V AC electricity, presented as either a standard wall plug into which the charging cord provided with a plug-in electric vehicle can be connected, or an EVSE with a standard vehicle plug connector that complies with SAE J1772, or an equivalent standard for 120V AC charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through an Underwriters Laboratories Certification or an equivalent certifying organization.

"Level Two EVSE" means EVSE that provides a plug-in electric vehicle with single phase alternating current electrical power at 208-240V AC, through a standardized plug connector that complies with SAE J1772 standards, or an equivalent wireless power transfer interface, or equivalent standards for 208-240V AC charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Light duty vehicle" means any two-axle, [2][~~four-wheel~~]2 four-wheeled motor[2] vehicle, [2]including, but not limited to, a car, minivan, sport utility vehicle, cross-over vehicle, or pick-up truck, which is[2] designed primarily for passenger travel or light duty commercial use, and [2]is[2] approved for travel on public roads.

[2]**[**"Light duty vehicle" includes, but is not limited to, any vehicle commonly referred to as a car, minivan, sport utility vehicle, cross-over, or pick-up truck.**]**

"Light duty plug-in electric vehicle" means a light duty vehicle that has a battery or equivalent energy storage device that can be charged, with an electric plug, from an electricity supply that is external to the vehicle. "Light duty plug-in electric vehicle" includes a light duty plug-in hybrid vehicle.[2]

"Low-income, urban, or environmental justice community" means a community: [2]**[**(1)**]**[2] in which at least one half of the households are at or below twice the poverty threshold as determined annually by the United States Census Bureau; [2]**[**(2)**]**[2] that is urban, as determined by the Department of Community Affairs, due to the population and development density in the community; or [2]**[**(3)**]**[2] that has been burdened with environmental justice issues, as determined by the department, including, but not limited to, exposure to high levels of air pollution, close proximity to major industrial facilities or hazardous waste sites, or other environmental hazards.

"MSRP" means the published manufacturer's suggested retail price, as set by a vehicle's manufacturer, at the time of sale or lease.

[2]**[**"Plug-in electric vehicle" means a vehicle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle with an electric plug. "Plug-in electric vehicle" includes a plug-in hybrid vehicle.**]**[2]

"Plug-in electric motorcycle" means [2]**[**a motorcycle that**]** any two-wheeled or three-wheeled motor vehicle, with or without a sidecar, including, but not limited to, a motorcycle, chopper, motorbike, scooter, or moped, which is approved for travel on public roads and does not constitute a light duty vehicle, and which[2] has a battery or equivalent energy storage device that can be charged [2], with an electric plug,[2] from an electricity supply [2]that is[2] external to the [2]**[**motorcycle with an electric plug**]** vehicle.

"Plug-in electric vehicle" means a light duty plug-in electric vehicle or a plug-in electric motorcycle.

"Plug-in electric vehicle incentive program" or "incentive program" means the incentive program established pursuant to paragraph (1) of subsection a. of section 4 of P.L.2019, c.362 (C.48:25-4) and expanded pursuant to paragraph (2) of subsection a. of section 4 of P.L.2019, c.362[2].

"Plug-in hybrid vehicle" means a vehicle that can be charged from a source of electricity external to the vehicle through an electric plug, but is not exclusively powered by electricity.

"Routine charging" means vehicle charging that takes place where a vehicle is parked for a long period of time, such as at the owner's residence overnight, a hotel, or a workplace during work

hours, and which provides the primary and most common form of vehicle charging.

"Seller or lessor ²[of an eligible vehicle]²" means an entity that is licensed to sell or lease an eligible ²light duty² vehicle ²or eligible motorcycle² to a consumer or fleet owner in the State.

"Travel corridor" means ²any² heavily used public ²[roads] road² in the State, as designated by the department, ²[which shall include] including², but ²[need]² not ²[be]² limited to, the Garden State Parkway, the New Jersey Turnpike, the Atlantic City Expressway, ²any² federal interstate ²[highways] highway², and the subset of federal or State roads ²[which] that² collectively support the majority of long distance travel through and within the State ², ² as well as the majority of daily travel by local drivers.

(cf: P.L.2019, c.362, s.2)

2. Section 4 of P.L.2019, c.362 (C.48:25-4) is amended to read as follows:

4. a. ²(1)² No later than 180 days after the effective date of P.L.2019, c.362 (C.48:25-1 et al.), the Board of Public Utilities shall establish and implement a [light duty] plug-in electric vehicle incentive program ², which shall provide financial incentives² for the purpose of encouraging the purchase or lease of new light duty plug-in electric vehicles ²[and new plug-in electric motorcycles] by consumers² in the State.

²(1) No later than 90 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the plug-in electric vehicle incentive program established pursuant to paragraph (1) of this subsection shall be expanded to additionally provide financial incentives for the purpose of encouraging the purchase or lease of new plug-in electric motorcycles by consumers in the State.²

b. The board shall implement the [light duty] plug-in electric vehicle incentive program until June 30th of the 10th year ²[after] following the initial² establishment of the incentive program ²pursuant to paragraph (1) of subsection a. of this section².

c. (1) Any incentive offered pursuant to this section shall take the form of a one-time payment to the purchaser or lessee of an eligible vehicle ²or eligible motorcycle².

(2) ²[For the first year an incentive is offered, the] The² amount of ²[the] each light duty plug-in electric vehicle² incentive ²made available under paragraph (1) of subsection a. of this section² shall ², during the first year of the program's operation pursuant to P.L.2019, c.362 (C.48:25-1),² be equal to $25 per mile of EPA-rated electric-only range², ² up to a maximum of $5,000 per eligible vehicle. For each subsequent year ²[an incentive is offered] of

program operation[2], the board may, after consideration of stakeholder input, change the amount of the incentive [2]offered for eligible light duty plug-in electric vehicles[2] and the manner in which [2][an] the[2] incentive is calculated, provided that no incentive [2]offered for light duty plug-in electric vehicles[2] shall exceed $5,000 per eligible vehicle. [2]In any year of program operation following the enactment of P.L. , c. (C.) (pending before the Legislature as this bill), the amount of each plug-in electric motorcycle incentive made available under paragraph (2) of subsection a. of this section shall be calculated in a manner deemed appropriate by the board, and shall not exceed $1,000 per eligible motorcycle.[2] The board shall publish [2], on its Internet website,[2] the amount of any incentives [2][on its Internet website] offered pursuant to this section[2].

(3) The board may limit the number of [2][plug-in electric vehicle][2] incentives that it issues to a single person [2]under this section[2].

(4) The board may establish other requirements and parameters for the incentive program as it deems necessary and reasonable to further the goals of P.L.2019, c.362 (C.48:25-1 et al.) [2]and P.L. , c. (C.) (pending before the Legislature as this bill)[2].

d. The board shall monitor the disbursement of incentives under the incentive program[2][,][2] and annually reassess the design and implementation of the incentive program. Provided the board's action is consistent with the provisions of subsection c. of this section, the board may:

(1) revise the incentive program, any aspect of the incentives [2]provided thereunder[2], or the related implementation procedures or processes; and

(2) develop additional incentives[2],[2] consistent with the goals of P.L.2019, c.362 (C.48:25-1 et al.)[2],[2] in order to ensure efficient and equitable electrification of transportation in the State.

e. Notwithstanding any other provision of law to the contrary, a light duty plug-in hybrid vehicle [2][and a plug-in electric motorcycle][2] shall not [2][qualify] be eligible[2] for an incentive under the [light duty] plug-in electric vehicle incentive program [2]if purchased or leased[2] after December 31, 2022.

[2][f. No later than 90 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the board shall expand the plug-in electric vehicle incentive program established pursuant to subsection a. of this section to include incentives for plug-in electric motorcycles. The plug-in electric motorcycle incentive shall be subject to the same conditions and requirements established pursuant to this section and any rules and regulations adopted pursuant thereto. The board shall implement the plug-in electric motorcycle incentive until June 30th

of the 10th year following the establishment of the plug-in electric vehicle incentive.]²

(cf: P.L.2019, c.362, s.4)

3. Section 5 of P.L.2019, c.362 (C.48:25-5) is amended to read as follows:

5. a. The seller or lessor of an eligible ²light duty² vehicle ²or eligible motorcycle² shall offer the ²[light duty]² plug-in electric ²light duty² vehicle incentive or plug-in electric motorcycle incentive, as applicable, established pursuant to section 4 of P.L.2019, c.362 (C.48:25-4)²,²² in conjunction with, and in addition to, any other incentive offered by the seller or lessor ²[of an eligible vehicle]².

b. A seller or lessor of an eligible ²light duty² vehicle ²or eligible motorcycle² shall provide a purchaser or lessee the option to have the amount of the ²[light duty plug-in electric vehicle]² incentive ²[or the plug-in electric motorcycle incentive, as applicable,]² deducted from the final negotiated and agreed upon sale or lease price of the eligible ²light duty² vehicle ²or eligible motorcycle², in which case the ²[full]² amount of the incentive shall be passed through to the purchaser or lessee in full²,²² and payment thereof shall be effective immediately at the time of the final sale or lease and transfer of the eligible ²light duty² vehicle ²or eligible motorcycle² to the purchaser or lessee. The board shall establish a process for reimbursing a seller or lessor ²[of an eligible vehicle]² the cost of an incentive provided by the seller or lessor pursuant to this subsection.

c. The board shall require each seller or lessor ²[of an eligible vehicle to provide to the board]², upon the final sale or lease and transfer of an eligible ²light duty² vehicle ²or eligible motorcycle² to a purchaser or lessee, ²to provide the board with² the ²[eligible vehicle's]² make, model, and battery size ²of the eligible light duty vehicle or eligible motorcycle², and any other information ²[as]² the board determines ²to be² relevant.

(cf: P.L.2019, c.362, s.5)

4. Section 6 of P.L.2019, c.362 (C.48:25-6) is amended to read as follows:

6. a. The Board of Public Utilities may establish and implement a program to provide incentives for the purchase and installation of in-home electric vehicle service equipment.

b. Any incentive program established pursuant to this section may be implemented only until June 30th of the 10th year after establishment of the program.

c. (1) Any incentive offered pursuant to this section shall take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment.

(2) The amount of the incentive offered pursuant to this section shall be determined by the board, but shall not exceed $500 per person. Any incentive a person receives pursuant to this section shall be in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle or a new plug-in electric motorcycle pursuant to sections 4 and 5 of P.L.2019, c.362 (C.48:25-4 and C.48:25-5).

(3) The board may establish other requirements and parameters for the program as it deems necessary and reasonable to further the goals of P.L.2019, c.362 (C.48:25-1 et al.).

d. The board shall monitor the disbursement of incentives under the incentive program, and annually reassess the design and implementation of the incentive program. Provided the board's action is consistent with the provisions of subsection c. of this section, the board may:

(1) revise the incentive program, any aspect of the incentives, or the related implementation procedures or processes; and

(2) in consultation with the department, develop additional incentives for electric vehicle service equipment consistent with the goals of ⟦P.L⟧ P.L.2019, c.362 (C.48:25-1 et al.) in order to ensure efficient and equitable electrification of transportation in the State.

e. The board shall determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section.

(cf: P.L.2019, c.362, s.6)

5. Section 7 of P.L.2019, c.362 (C.48:25-7) is amended to read as follows:

7. a. There is established in the Board of Public Utilities a special, nonlapsing fund to be known as the Plug-in Electric Vehicle Incentive Fund. The fund shall be administered by the board and shall be credited with:

(1) moneys deposited into the fund by the board pursuant to subsection b. of this section;

(2) moneys that are appropriated by the Legislature; and

(3) any return on investment of moneys deposited in the fund.

b. (1) The board shall deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the board pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the board, to make disbursements for light-duty plug-in electric vehicle incentives and plug-in electric motorcycle incentives under the ⟦light duty⟧ plug-in electric

vehicle incentive program established pursuant to section 4 of P.L.2019, c.362 (C.48:25-4).

(2) The board may deposit into the fund, each year, such additional amounts from the societal benefits charge, as the board deems necessary, to make disbursement under an incentive program for in-home electric vehicle service equipment established pursuant to section 6 of P.L.2019, c.362 (C.48:25-6).

c. Moneys in the fund shall be used by the board solely for the purpose of disbursing the incentives established pursuant to sections 4 and 6 of P.L.2019, c.362 (C.48:25-4 and C.48:25-6). The board shall recover any administrative costs incurred in connection with P.L.2019, c.362 (C.48:25-1 et al.) separately from moneys received from the societal benefits charge.

d. The board shall provide no less than $30 million in disbursements under the **[**light duty**]** plug-in electric vehicle incentive program established pursuant to section 4 of P.L.2019, c.362 (C.48:25-4) each year for 10 years.

(cf: P.L.2019, c.362, s.7)

6. Section 7 of P.L.2007, c.340 (C.26:2C-51) is amended to read as follows:

7. a. The agencies administering programs established pursuant to this section shall maximize coordination in the administration of the programs to avoid overlap between the uses of the fund prescribed in this section.

b. Moneys in the fund, after appropriation annually for payment of administrative costs authorized pursuant to subsection c. of this section, shall be annually appropriated and used for the following purposes:

(1) Sixty percent shall be allocated to the New Jersey Economic Development Authority to provide grants and other forms of financial assistance to commercial, institutional, and industrial entities to support end-use energy efficiency projects and new, efficient electric generation facilities that are state of the art, as determined by the department, including but not limited to energy efficiency and renewable energy applications, to develop combined heat and power production and other high efficiency electric generation facilities, to stimulate or reward investment in the development of innovative carbon emissions abatement technologies with significant carbon emissions reduction or avoidance potential, to develop qualified offshore wind projects pursuant to section 3 of P.L.2010, c.57 (C.48:3-87.1), and to provide financial assistance to manufacturers of equipment associated with qualified offshore wind projects. The authority, in consultation with the board and the department, shall determine: (a) the appropriate level of grants or other forms of financial assistance to be awarded to individual commercial, institutional, and industrial sectors and to individual projects within each of these

sectors; (b) the evaluation criteria for selecting projects to be awarded grants or other forms of financial assistance, which criteria shall include the ability of the project to result in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand, provided, however, that neither the development of a new combined heat and power production facility, nor an increase in the electrical and thermal output of an existing combined heat and power production facility, shall be subject to the requirement to demonstrate such a measurable reduction; and (c) the process by which grants or other forms of financial assistance can be applied for and awarded including, if applicable, the payment terms and conditions for authority investments in certain projects with commercial viability;

(2) Twenty percent shall be allocated to the board to support programs that are designed to reduce electricity demand or costs to electricity customers in the low-income and moderate-income residential sector with a focus on urban areas, including efforts to address heat island effect and reduce impacts on ratepayers attributable to the implementation of P.L.2007, c.340 (C.26:2C-45 et al.) or to support the **[**light duty**]** plug-in electric vehicle incentive program and the incentive program for in-home electric vehicle service equipment established pursuant to sections 4 and 6 of P.L.2019, c.362 (C.48:25-4 and C.48:25-6). For the purposes of this paragraph, the board, in consultation with the authority and the department, shall determine the types of programs to be supported and the mechanism by which to quantify benefits to ensure that the supported programs result in a measurable reduction in energy demand or accomplishment of the plug-in electric vehicle goals established pursuant to section 3 of P.L.2019, c.362 (C.48:25-3);

(3) Ten percent shall be allocated to the department to support programs designed to promote local government efforts to plan, develop and implement measures to reduce greenhouse gas emissions, including but not limited to technical assistance to local governments, and the awarding of grants and other forms of assistance to local governments to conduct and implement energy efficiency, renewable energy, and distributed energy programs and land use planning where the grant or assistance results in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand. For the purpose of conducting any program pursuant to this paragraph, the department, in consultation with the authority and the board, shall determine: (a) the appropriate level of grants or other forms of financial assistance to be awarded to local governments; (b) the evaluation criteria for selecting projects to be awarded grants or other forms of financial assistance; (c) the process by which grants or other forms of financial assistance can be applied for and awarded; and (d) a mechanism by which to quantify benefits; and

(4) Ten percent shall be allocated to the department to support programs that enhance the stewardship and restoration of the State's forests and tidal marshes that provide important opportunities to sequester or reduce greenhouse gases.

c. (1) The department may use up to four percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the department in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases including any obligations that may arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-55).

(2) The board may use up to two percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the board in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases including any obligations that may arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-55).

(3) The New Jersey Economic Development Authority may use up to two percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the authority in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases.

d. The State Comptroller shall conduct or supervise independent audit and fiscal oversight functions of the fund and its uses.

(cf: P.L.2019, c.362, s.12)

7. (New section) a. Receipts from sales of plug-in electric motorcycles sold on or after the first day of the fourth month following the effective date of **[1]**[P.L.2003, c.266 (C.26:2C-8.15 et al.)]** P.L. , c. (C.) (pending before the Legislature as this bill)**[1]** are exempt from the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

b. **[1]**The Commissioner of Environmental Protection shall certify to the State Treasurer the make and model of plug-in electric motorcycles that are eligible for the exemption provided pursuant to subsection a. of this section.

c.**[1]** As used in this section, “plug-in electric motorcycle" means a motorcycle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the motorcycle with an electric plug.

8. This act shall take effect immediately.