

LEGISLATIVE FISCAL ESTIMATE
[First Reprint]
ASSEMBLY, No. 5382
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JANUARY 11, 2022

SUMMARY

- Synopsis:** Requires request for proposal to establish demonstration program to develop distributed energy resource microgrids for electric fleet and heavy-duty vehicle use.
- Type of Impact:** State expenditure increase. Potential State and local revenue increases.
- Agencies Affected:** New Jersey Economic Development Authority; Board of Public Utilities; Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	Magnitude
State Cost Increase	Indeterminate
Potential State Revenue Increase	Indeterminate
Potential Local Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill will likely result in an indeterminate increase in State cost due to the requirement that the Economic Development Authority (EDA) establish and administer a demonstration program involving the development of distributed energy resource microgrids for fleet and medium- and heavy-duty electric vehicle use. State expenditures would also increase if approved program participants were to receive financial assistance under existing State incentive programs.
- The OLS finds that there may be an indeterminate increase in State and local revenue to the extent that the bill will induce additional taxable economic activity that would not occur otherwise.
- Absent information on the number and attributes of projects that will participate in the demonstration program, the OLS cannot quantify the bill’s fiscal impacts.

BILL DESCRIPTION

This bill requires the EDA, in consultation with the Board of Public Utilities and the Department of Environmental Protection, to establish and operate a demonstration program

involving the development of distributed energy resource microgrids at six regionally diverse locations within the State for fleet and medium- and heavy-duty electric vehicle use. In approving applications for the demonstration program, the EDA is to give preference to applications: 1) located within a brownfield; 2) providing an environmental justice net public benefit within a low-income, urban, or environmental justice community; 3) providing job creation and job training potential for disadvantaged persons; and 4) resulting in an expansion of the State's manufacturing base for a clean transportation economy, and demonstrating a collaboration with a State-certified educational training entity.

The EDA is to bi-annually report to the department and the board on the progress made by an approved applicant. The authority is also to report, five years after the effective date of the bill, to the Governor and the Legislature on the results of the program and post a copy of that report on the authority's website.

The authority may seek and accept gifts, donations, grants, or loans from private or public sources, including any federal funding, for the demonstration program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill will likely result in an indeterminate increase in State cost due to the requirement that the EDA establish and administer a demonstration program involving the development of distributed energy resource microgrids for fleet and medium- and heavy-duty electric vehicle use. State expenditures would also increase if approved program participants were to receive financial assistance under existing State incentive programs.

In addition, the OLS finds that there may be an indeterminate increase in State and local revenue to the extent that the bill will induce additional taxable economic activity that would not occur otherwise.

Absent information on the number and attributes of projects that will participate in the demonstration program, the OLS cannot quantify the bill's fiscal impacts.

Section: Authorities, Utilities, Transportation and Communications
Analyst: Tara Howley
Lead Counsel
Approved: Thomas Koenig
Legislative Budget and Finance Officer

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.).