

SENATE, No. 3019

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED OCTOBER 19, 2020

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

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Senator Diegnan

SYNOPSIS

Extends existing plug-in electric vehicle incentives to plug-in electric motorcycles.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/19/2020)

1 **AN ACT** concerning incentives for the purchase or lease of plug-in
2 electric motorcycles and amending P.L.2019, c.362 and
3 P.L.2007, c.340.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. Section 2 of P.L.2019, c.362 (C.48:25-2) is amended to read
9 as follows:

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

12 "Board" means the Board of Public Utilities.

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

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

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

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

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

38 "Department" means the Department of Environmental
39 Protection.

40 "Electric vehicle service equipment" or "EVSE" means the
41 equipment, including the cables, cords, conductors, connectors,
42 couplers, enclosures, attachment plugs, power outlets, switches and
43 controls, network interfaces, and point of sale equipment and
44 associated apparatus designed and used for the purpose of
45 transferring energy from the electric supply system to a plug-in

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.

1 electric vehicle. "EVSE" may deliver either alternating current or
2 direct current electricity consistent with fast charging equipment
3 standards.

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

9 "Eligible vehicle" means a new light duty plug-in electric vehicle
10 or a new plug-in electric motorcycle, with an MSRP of below
11 \$55,000, purchased or leased after the effective date of
12 P.L.2019, c.362 (C.48:25-1 et al.) and registered in New Jersey.

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

16 "Level One EVSE" means EVSE that provides single phase
17 120V AC electricity, presented as either a standard wall plug into
18 which the charging cord provided with a plug-in electric vehicle can
19 be connected, or an EVSE with a standard vehicle plug connector
20 that complies with SAE J1772, or an equivalent standard for 120V
21 AC charging as may be adopted in the future and accepted by the
22 board, and which is approved for installation for this purpose under
23 the National Electric Code through an Underwriters Laboratories
24 Certification or an equivalent certifying organization.

25 "Level Two EVSE" means EVSE that provides a plug-in electric
26 vehicle with single phase alternating current electrical power at
27 208-240V AC, through a standardized plug connector that complies
28 with SAE J1772 standards, or an equivalent wireless power transfer
29 interface, or equivalent standards for 208-240V AC charging as
30 may be adopted in the future and accepted by the board, and which
31 is approved for installation for this purpose under the National
32 Electric Code through Underwriters Laboratories Certification or an
33 equivalent certifying organization.

34 "Light duty vehicle" means any two-axle, four-wheel vehicle,
35 designed primarily for passenger travel or light duty commercial
36 use, and approved for travel on public roads. "Light duty vehicle"
37 includes, but is not limited to, any vehicle commonly referred to as
38 a car, minivan, sport utility vehicle, cross-over, or pick-up truck.

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

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

3 "Plug-in electric vehicle" means a vehicle that has a battery or
4 equivalent energy storage device that can be charged from an
5 electricity supply external to the vehicle with an electric plug.

6 "Plug-in electric vehicle" includes a plug-in hybrid vehicle.

7 "Plug-in electric motorcycle" means a motorcycle that has a
8 battery or equivalent energy storage device that can be charged
9 from an electricity supply external to the motorcycle with an
10 electric plug.

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

14 "Routine charging" means vehicle charging that takes place
15 where a vehicle is parked for a long period of time, such as at the
16 owner's residence overnight, a hotel, or a workplace during work
17 hours, and which provides the primary and most common form of
18 vehicle charging.

19 "Seller or lessor of an eligible vehicle" means an entity that is
20 licensed to sell or lease an eligible vehicle to a consumer or fleet
21 owner in the State.

22 "Travel corridor" means heavily used public roads in the State,
23 as designated by the department, which shall include, but need not
24 be limited to, the Garden State Parkway, the New Jersey Turnpike,
25 the Atlantic City Expressway, federal interstate highways, and the
26 subset of federal or State roads which collectively support the
27 majority of long distance travel through and within the State as well
28 as the majority of daily travel by local drivers.

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

30

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

33 4. a. No later than 180 days after the effective date of
34 P.L.2019, c.362 (C.48:25-1 et al.), the Board of Public Utilities
35 shall establish and implement a **light duty** plug-in electric vehicle
36 incentive program for the purpose of encouraging the purchase or
37 lease of new light duty plug-in electric vehicles and new plug-in
38 electric motorcycles in the State.

39 b. The board shall implement the **light duty** plug-in electric
40 vehicle incentive program until June 30th of the 10th year after
41 establishment of the incentive program.

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

45 (2) For the first year an incentive is offered, the amount of the
46 incentive shall be equal to \$25 per mile of EPA-rated electric-only
47 range up to a maximum of \$5,000 per eligible vehicle. For each
48 subsequent year an incentive is offered, the board may, after

1 consideration of stakeholder input, change the amount of the
2 incentive and the manner in which an incentive is calculated,
3 provided that no incentive shall exceed \$5,000 per eligible vehicle.
4 The board shall publish the amount of any incentives on its Internet
5 website.

6 (3) The board may limit the number of plug-in electric vehicle
7 incentives that it issues to a single person.

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

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

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

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

21 e. Notwithstanding any other provision of law to the contrary,
22 a light duty plug-in hybrid vehicle and a plug-in electric motorcycle
23 shall not qualify for an incentive under the **light duty** plug-in
24 electric vehicle incentive program after December 31, 2022.

25 f. No later than 90 days after the effective date of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 the board shall expand the plug-in electric vehicle incentive
28 program established pursuant to subsection a. of this section to
29 include incentives for plug-in electric motorcycles. The plug-in
30 electric motorcycle incentive shall be subject to the same conditions
31 and requirements established pursuant to this section and any rules
32 and regulations adopted pursuant thereto. The board shall
33 implement the plug-in electric motorcycle incentive until June 30th
34 of the 10th year after the establishment of the light-duty plug-in
35 electric vehicle incentive.

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

37
38 3. Section 5 of P.L.2019, c.362 (C.48:25-5) is amended to read
39 as follows:

40 5. a. The seller or lessor of an eligible vehicle shall offer the
41 light duty plug-in electric vehicle incentive or plug-in electric
42 motorcycle incentive, as applicable, established pursuant to section
43 4 of P.L.2019, c.362 (C.48:25-4) in conjunction with, and in
44 addition to, any other incentive offered by the seller or lessor of an
45 eligible vehicle.

46 b. A seller or lessor of an eligible vehicle shall provide a
47 purchaser or lessee the option to have the amount of the light duty
48 plug-in electric vehicle incentive or the plug-in electric motorcycle

1 incentive, as applicable, deducted from the final negotiated and
2 agreed upon sale or lease price of the eligible vehicle, in which case
3 the full amount of the incentive shall be passed through to the
4 purchaser or lessee in full and payment thereof shall be effective
5 immediately at the time of the final sale or lease and transfer of the
6 eligible vehicle to the purchaser or lessee. The board shall establish
7 a process for reimbursing a seller or lessor of an eligible vehicle the
8 cost of an incentive provided by the seller or lessor pursuant to this
9 subsection.

10 c. The board shall require each seller or lessor of an eligible
11 vehicle to provide to the board, upon the final sale or lease and
12 transfer of an eligible vehicle to a purchaser or lessee, the eligible
13 vehicle's make, model, and battery size, and any other information
14 as the board determines relevant.
15 (cf: P.L.2019, c.362, s.5)

16

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

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

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

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

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

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

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

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

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

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

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

5

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

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

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

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

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

16 b. (1) The board shall deposit into the fund, each year, \$30
17 million of moneys received from the societal benefits charge
18 established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60),
19 moneys made available to the board pursuant to the implementation
20 of the Regional Greenhouse Gas Initiative and P.L.2007, c.340
21 (C.26:2C-45 et seq.), and moneys available from other funding
22 sources, as determined by the board, to make disbursements for
23 light-duty plug-in electric vehicle incentives and plug-in electric
24 motorcycle incentives under the **【light duty】** plug-in electric
25 vehicle incentive program established pursuant to section 4 of
26 P.L.2019, c.362 (C.48:25-4).

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

32 c. Moneys in the fund shall be used by the board solely for the
33 purpose of disbursing the incentives established pursuant to sections
34 4 and 6 of P.L.2019, c.362 (C.48:25-4 and C.48:25-6). The board
35 shall recover any administrative costs incurred in connection with
36 P.L.2019, c.362 (C.48:25-1 et al.) separately from moneys received
37 from the societal benefits charge.

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

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

43

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

46 7. a. The agencies administering programs established pursuant
47 to this section shall maximize coordination in the administration of

1 the programs to avoid overlap between the uses of the fund
2 prescribed in this section.

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

7 (1) Sixty percent shall be allocated to the New Jersey Economic
8 Development Authority to provide grants and other forms of
9 financial assistance to commercial, institutional, and industrial
10 entities to support end-use energy efficiency projects and new,
11 efficient electric generation facilities that are state of the art, as
12 determined by the department, including but not limited to energy
13 efficiency and renewable energy applications, to develop combined
14 heat and power production and other high efficiency electric
15 generation facilities, to stimulate or reward investment in the
16 development of innovative carbon emissions abatement
17 technologies with significant carbon emissions reduction or
18 avoidance potential, to develop qualified offshore wind projects
19 pursuant to section 3 of P.L.2010, c.57 (C.48:3-87.1), and to
20 provide financial assistance to manufacturers of equipment
21 associated with qualified offshore wind projects. The authority, in
22 consultation with the board and the department, shall determine:
23 (a) the appropriate level of grants or other forms of financial
24 assistance to be awarded to individual commercial, institutional,
25 and industrial sectors and to individual projects within each of these
26 sectors; (b) the evaluation criteria for selecting projects to be
27 awarded grants or other forms of financial assistance, which criteria
28 shall include the ability of the project to result in a measurable
29 reduction of the emission of greenhouse gases or a measurable
30 reduction in energy demand, provided, however, that neither the
31 development of a new combined heat and power production facility,
32 nor an increase in the electrical and thermal output of an existing
33 combined heat and power production facility, shall be subject to the
34 requirement to demonstrate such a measurable reduction; and (c)
35 the process by which grants or other forms of financial assistance
36 can be applied for and awarded including, if applicable, the
37 payment terms and conditions for authority investments in certain
38 projects with commercial viability;

39 (2) Twenty percent shall be allocated to the board to support
40 programs that are designed to reduce electricity demand or costs to
41 electricity customers in the low-income and moderate-income
42 residential sector with a focus on urban areas, including efforts to
43 address heat island effect and reduce impacts on ratepayers
44 attributable to the implementation of P.L.2007, c.340 (C.26:2C-45
45 et al.) or to support the **light duty** plug-in electric vehicle
46 incentive program and the incentive program for in-home electric
47 vehicle service equipment established pursuant to sections 4 and 6
48 of P.L.2019, c.362 (C.48:25-4 and C.48:25-6). For the purposes of

1 this paragraph, the board, in consultation with the authority and the
2 department, shall determine the types of programs to be supported
3 and the mechanism by which to quantify benefits to ensure that the
4 supported programs result in a measurable reduction in energy
5 demand or accomplishment of the plug-in electric vehicle goals
6 established pursuant to section 3 of P.L.2019, c.362 (C.48:25-3);

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

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

29 c. (1) The department may use up to four percent of the total
30 amount in the fund each year to pay for administrative costs
31 justifiable and approved in the annual budget process, incurred by
32 the department in administering the provisions of P.L.2007, c.340
33 (C.26:2C-45 et al.) and in administering programs to reduce the
34 emissions of greenhouse gases including any obligations that may
35 arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-
36 55).

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

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

1 administering programs to reduce the emissions of greenhouse
2 gases.

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

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

7

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

13 b. As used in this section, "plug-in electric motorcycle" means
14 a motorcycle that has a battery or equivalent energy storage device
15 that can be charged from an electricity supply external to the
16 motorcycle with an electric plug.

17

18 8. This act shall take effect immediately.

19

20

21

STATEMENT

22

23 This bill extends the incentives for purchase of new plug-in
24 electric vehicles under P.L.2019, c.362 to include plug-in electric
25 motorcycles. To provide for the expansion of these incentives, the
26 bill removes the term "light duty" from the name of the incentive
27 program and makes various other technical and clarifying changes
28 in the law. The bill would also exempt receipts from the sale of
29 plug-in electric motorcycles from the State Sales and Use Tax.
30 Current law provides this exemption for zero emission vehicles
31 which may or may not include electric motorcycles.

32 The bill defines a "plug-in electric motorcycle" as a motorcycle
33 that has a battery or equivalent energy storage device that can be
34 charged from an electricity supply external to the motorcycle with
35 an electric plug.