SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 4070

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2021

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 4070 (1R).

This bill increases the monetary thresholds at which certain transportation projects are required to submit environmental assessments (EA) or environmental impact statements (EIS) to the Department of Environmental Protection (DEP).

Pursuant to Executive Order No. 215 of 1989 (EO 215), a department, agency, or authority of the State that seeks to carry out a transportation project with anticipated construction costs greater than $1 million is required to submit an EA to the DEP. In addition, EO 215 requires the submission of an EIS for a project with anticipated construction costs greater than $5 million and land disturbance in excess of five acres. This bill would increase these thresholds to $3 million and $7 million, respectively, for the New Jersey Turnpike Authority, the South Jersey Transportation Authority, the New Jersey Transit Corporation, and the Department of Transportation. Under the bill, these new thresholds would be annually adjusted for inflation. Finally, the bill would clarify that the DEP may require an EA for a project with a land disturbance in excess of five acres and estimated costs between $5 million and $7 million (which, under current law, would require an EIS).

FISCAL IMPACT:

The Office of Legislative Services (OLS) determines that this bill would result in an indeterminate recurring State expenditure decrease, since it would require the Department of Transportation (DOT), the New Jersey Turnpike Authority (NJTA), the South Jersey Transportation Authority (SJTA), and the New Jersey Transit Corporation (NJ Transit) to perform fewer environmental impact analyses than required under current law.

The DOT and the SJTA have informally indicated to the OLS that they believe that the bill would have little to no fiscal impact on their agencies. It is likely that the fiscal impact would be similar for the other agencies directly affected by the bill (the NJTA and NJ Transit). If so, then the bill would result in a marginal annual State expenditure decrease. If the other agencies typically perform more environmental impact analyses or hire outside consults to perform such work, the expenditure decrease would be larger.