

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 4077

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2021

The Senate Environment and Energy Committee favorably reports Senate Bill No. 4077, with committee amendments.

This bill, as amended by the committee, requires the New Jersey Economic Development Authority (EDA), in consultation with the Board of Public Utilities (BPU), the Department of Transportation (DOT), the Department of Education (DOE), the Department of Environmental Protection (DEP), and the New Jersey Motor Vehicle Commission (MVC), to develop and implement, a three-year “Electric School Bus Pilot Program” (pilot program). The purpose of the pilot program is to determine the operational reliability and cost effectiveness of replacing diesel-powered school buses with electric school buses for daily transportation of students.

The bill requires the EDA, in consultation with the DOE and DEP, to select no less than six school districts (districts) or school bus contractors (bus contractors) annually for participation in the pilot program, so that during the third year of the pilot program, no less than a total of 18 school districts or school bus contractors are selected for participation in the pilot program amongst the northern, central, and southern regions of the State. At least one of the districts or bus contractors annually selected is to be located in a “low-income, urban, or environmental justice community” as defined pursuant to law. The EDA is to design a transparent outreach and application process to facilitate the selection of districts and bus contractors.

The EDA is to award grants to districts or bus contractors selected to participate in the pilot program to purchase or lease electric school buses and to purchase or lease and install electric school bus charging infrastructure. An electric school bus and charging infrastructure vendor purchase or lease arrangement is to include certain provisions as described in the bill. Under the bill, \$45 million is made available for grants provided under the pilot program. The EDA is to provide \$15 million in grants for each year of the three-year pilot program. The EDA may use available monies to provide grants from the following three sources: the societal benefits charge (SBC) revenues, the Plug-in Electric Vehicle Incentive Fund, or the “Global Warming Solutions Fund.”

The bill requires the districts or bus contractors selected to participate in the pilot program to submit quarterly reports to the EDA detailing the cost to operate electric school buses, including electric school bus maintenance records and transponder data, and details of any reliability issues related to the operation of the buses. The EDA is to establish a committee, chaired by a representative of the EDA, which also includes a representative of the BPU, DOT, DOE, DEP, and MVC. The committee is to meet monthly to review the quarterly reports and recommend solutions to any issue raised in a quarterly report submitted by a pilot program participant. The committee is to require a recipient of any grant under any State agency-administered program for the provision of an electric school bus and electric school bus charging infrastructure prior to the effective date of the bill to submit any additional information and data to the committee to compliment any data received by the committee from pilot program participants.

The bill requires the EDA, in collaboration with the BPU, DOT, DOE, DEP, and MVC, to submit reports to the Governor and Legislature within 14 months after the effective date of the bill and every eight months thereafter throughout the duration of the pilot program. The reports are to include certain information as described in the bill.

The EDA, in consultation with the BPU, DOT, DOE, DEP, and MVC, is to promulgate rules and regulations to effectuate the purposes of the bill, including the collection and reporting of information included in the quarterly reports to be submitted to the EDA.

The committee amendments add an effective date to the bill.