

**ASSEMBLY, No. 1971**

---

**STATE OF NEW JERSEY**

**219th LEGISLATURE**

---

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Assemblyman STERLEY S. STANLEY**

**District 18 (Middlesex)**

**Assemblyman HERB CONAWAY, JR.**

**District 7 (Burlington)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Co-Sponsored by:**

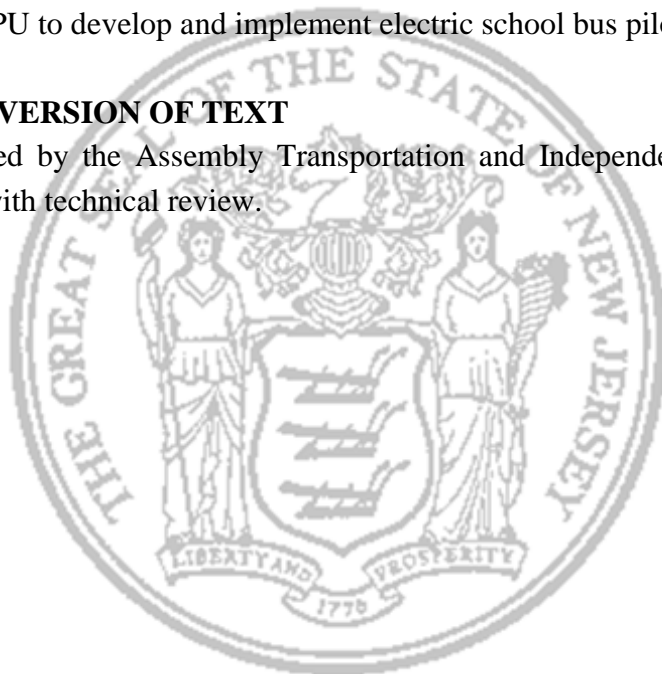
**Assemblymen Benson, Zwicker, Assemblywomen Timberlake, Reynolds-Jackson, Vainieri Huttle, Assemblyman Giblin, Assemblywoman Chaparro, Assemblyman Kennedy, Assemblywoman Lampitt, Assemblymen Johnson, Chiaravalloti, McKeon, Assemblywoman McKnight, Assemblymen Moen, Freiman, Tully and Calabrese**

**SYNOPSIS**

Directs BPU to develop and implement electric school bus pilot program.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Transportation and Independent Authorities Committee with technical review.



**(Sponsorship Updated As Of: 6/14/2021)**

1 AN ACT establishing an electric school bus pilot program,  
2 supplementing Title 48 of the Revised Statutes, and amending  
3 P.L.1999, c.23.

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

7  
8 1. (New section) a. No later than six months after the  
9 effective date of P.L. , c. (C. ) (pending before the  
10 Legislature as this bill), the Board of Public Utilities, in  
11 consultation with the Department of Transportation, the Department  
12 of Education, and the New Jersey Motor Vehicle Commission, shall  
13 develop and implement a three-year “Electric School Bus Pilot  
14 Program” to determine the operational reliability and cost  
15 effectiveness of replacing diesel-powered school buses with electric  
16 school buses for daily transportation of students.

17 b. The Board of Public Utilities shall select for participation in  
18 the pilot program no less than one school district in each of the  
19 northern, central, and southern regions of the State.

20 c. Under the pilot program, the Board of Public Utilities shall  
21 award grants to school districts selected to participate in the pilot  
22 program to purchase electric school buses and to purchase and  
23 install electric school bus charging infrastructure in coordination  
24 with school bus contractors and any State department, board,  
25 bureau, commission, or agency as necessary. Monies from the  
26 societal benefits charge revenues collected by the Board of Public  
27 Utilities for the “Electric School Bus Pilot Program,” pursuant to  
28 section 12 of P.L.1999, c.23 (C.48:3-60), shall be used to provide  
29 grants pursuant to this subsection, not to exceed \$10,000,000 over  
30 the three-year period.

31 d. The school districts selected to participate in the pilot  
32 program shall submit reports periodically, as determined by the  
33 Board of Public Utilities, detailing the cost to operate the electric  
34 school buses and any reliability issues related to the operation of the  
35 electric school buses. The Board of Public Utilities shall collect  
36 any additional information and data necessary to complete the  
37 report required to be submitted to the Governor and Legislature  
38 pursuant to subsection e. of this section.

39 e. The Board of Public Utilities shall submit an “Electric School  
40 Bus Pilot Program” report to the Governor and, pursuant to section  
41 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature no later than  
42 six months after the completion of the three-year pilot program.  
43 The report shall include, but not be limited to:

44 (1) a description and comprehensive review of the pilot  
45 program, including but not limited to, an evaluation of the pilot

**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 program's effectiveness, and a discussion of continuing the pilot  
2 program and expanding it to other school districts in the State;

3 (2) an analysis of the operational reliability and cost  
4 effectiveness of the use of electric school buses compared to diesel-  
5 powered school buses;

6 (3) an analysis of the cost to operate, maintain, and power  
7 electric school buses compared to diesel-powered school buses;

8 (4) an analysis of the potential environmental benefits of  
9 replacing diesel-powered school buses with electric school buses;  
10 and

11 (5) any additional information the board determines necessary to  
12 evaluate the future implementation of electric school buses and  
13 electric school bus charging infrastructure in the State.

14 f. The Board of Public Utilities, the Commissioner of  
15 Transportation, the Commissioner of Education, and the Chief  
16 Administrator of the New Jersey Motor Vehicle Commission shall,  
17 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
18 (C.52:14B-1 et seq.), promulgate rules and regulations to effectuate  
19 the purposes of P.L. , c. (C. ) (pending before the  
20 Legislature as this bill).

21

22 2. Section 12 of P.L.1999, c.23 (C.48:3-60) is amended to read  
23 as follows:

24 12. a. Simultaneously with the starting date for the  
25 implementation of retail choice as determined by the board pursuant  
26 to subsection a. of section 5 of P.L.1999, c.23 (C.48:3-53), the  
27 board shall permit each electric public utility and gas public utility  
28 to recover some or all of the following costs through a societal  
29 benefits charge that shall be collected as a non-bypassable charge  
30 imposed on all electric public utility customers and gas public  
31 utility customers, as appropriate:

32 (1) The costs for the social programs for which rate recovery  
33 was approved by the board prior to April 30, 1997. For the purpose  
34 of establishing initial unbundled rates pursuant to section 4 of  
35 P.L.1999, c.23 (C.48:3-52), the societal benefits charge shall be set  
36 to recover the same level of social program costs as is being  
37 collected in the bundled rates of the electric public utility on the  
38 effective date of P.L.1999, c.23 (C.48:3-49 et al.). The board may  
39 subsequently order, pursuant to its rules and regulations, an increase  
40 or decrease in the societal benefits charge to reflect changes in the  
41 costs to the utility of administering existing social programs.  
42 Nothing in P.L.1999, c.23 (C.48:3-49 et al.) shall be construed to  
43 abolish or change any social program required by statute or board  
44 order or rule or regulation to be provided by an electric public  
45 utility. Any such social program shall continue to be provided by  
46 the utility until otherwise provided by law, unless the board  
47 determines that it is no longer appropriate for the electric public

1 utility to provide the program, or the board chooses to modify the  
2 program;

3 (2) Nuclear plant decommissioning costs;

4 (3) The costs of demand side management programs that were  
5 approved by the board pursuant to its demand side management  
6 regulations prior to April 30, 1997. For the purpose of establishing  
7 initial unbundled rates pursuant to section 4 of P.L.1999, c.23  
8 (C.48:3-52), the societal benefits charge shall be set to recover the  
9 same level of demand side management program costs as is being  
10 collected in the bundled rates of the electric public utility on the  
11 effective date of P.L.1999, c.23 (C.48:3-49 et al.). Within four  
12 months of the effective date of P.L.1999, c.23 (C.48:3-49 et al.),  
13 and every four years thereafter, the board shall initiate a proceeding  
14 and cause to be undertaken a comprehensive resource analysis of  
15 energy programs, and within eight months of initiating such  
16 proceeding and after notice, provision of the opportunity for public  
17 comment, and public hearing, the board, in consultation with the  
18 Department of Environmental Protection, shall determine the  
19 appropriate level of funding for energy efficiency , plug-in electric  
20 vehicles and plug-in electric vehicle charging infrastructure, and  
21 Class I renewable energy programs that provide environmental  
22 benefits above and beyond those provided by standard offer or  
23 similar programs in effect as of the effective date of P.L.1999, c.23  
24 (C.48:3-49 et al.); provided that the funding for such programs be  
25 no less than 50 percent of the total Statewide amount being  
26 collected in electric and gas public utility rates for demand side  
27 management programs on the effective date of P.L.1999, c.23  
28 (C.48:3-49 et al.) for an initial period of four years from the  
29 issuance of the first comprehensive resource analysis following the  
30 effective date of P.L.1999, c.23 (C.48:3-49 et al.), and provided  
31 that 25 percent of this amount shall be used to provide funding for  
32 Class I renewable energy projects in the State. In each of the  
33 following fifth through eighth years, the Statewide funding for such  
34 programs shall be no less than 50 percent of the total Statewide  
35 amount being collected in electric and gas public utility rates for  
36 demand side management programs on the effective date of  
37 P.L.1999, c.23 (C.48:3-49 et al.), except that as additional funds are  
38 made available as a result of the expiration of past standard offer or  
39 similar commitments, the minimum amount of funding for such  
40 programs shall increase by an additional amount equal to 50 percent  
41 of the additional funds made available, until the minimum amount  
42 of funding dedicated to such programs reaches \$140,000,000 total.  
43 After the eighth year the board shall make a determination as to the  
44 appropriate level of funding for these programs. Such programs  
45 shall include a program to provide financial incentives for the  
46 installation of Class I renewable energy projects in the State, and  
47 the board, in consultation with the Department of Environmental  
48 Protection, shall determine the level and total amount of such

1 incentives as well as the renewable technologies eligible for such  
2 incentives which shall include, at a minimum, photovoltaic, wind,  
3 and fuel cells. The board shall simultaneously determine, as a result  
4 of the comprehensive resource analysis, the programs to be funded  
5 by the societal benefits charge, the level of cost recovery and  
6 performance incentives for old and new programs and whether the  
7 recovery of demand side management programs' costs currently  
8 approved by the board may be reduced or extended over a longer  
9 period of time. The board shall make these determinations taking  
10 into consideration existing market barriers and environmental  
11 benefits, with the objective of transforming markets, capturing lost  
12 opportunities, making energy services more affordable for low  
13 income customers and eliminating subsidies for programs that can  
14 be delivered in the marketplace without electric public utility and  
15 gas public utility customer funding;

16 (4) Manufactured gas plant remediation costs, which shall be  
17 determined initially in a manner consistent with mechanisms in the  
18 remediation adjustment clauses for the electric public utility and gas  
19 public utility adopted by the board; **and**

20 (5) The cost, of consumer education, as determined by the  
21 board, which shall be in an amount that, together with the consumer  
22 education surcharge imposed on electric power supplier license fees  
23 pursuant to subsection h. of section 29 of P.L.1999, c.23 (C.48:3-  
24 78) and the consumer education surcharge imposed on gas supplier  
25 license fees pursuant to subsection g. of section 30 of P.L.1999,  
26 c.23 (C.48:3-79), shall be sufficient to fund the consumer education  
27 program established pursuant to section 36 of P.L.1999, c.23  
28 (C.48:3-85); and

29 (6) The costs of the "Electric School Bus Pilot Program," of an  
30 amount not to exceed \$10,000,000 for the purposes provided in  
31 section 1 of P.L. ,c. (C. ) (pending before the Legislature as  
32 this bill).

33 b. There is established in the Board of Public Utilities a  
34 nonlapsing fund to be known as the "Universal Service Fund." The  
35 board shall determine: the level of funding and the appropriate  
36 administration of the fund; the purposes and programs to be funded  
37 with monies from the fund; which social programs shall be provided  
38 by an electric public utility as part of the provision of its regulated  
39 services which provide a public benefit; whether the funds  
40 appropriated to fund the "Lifeline Credit Program" established  
41 pursuant to P.L.1979, c.197 (C.48:2-29.15 et seq.), the "Tenants'  
42 Lifeline Assistance Program" established pursuant to P.L.1981,  
43 c.210 **[(C.48:2-29.31 et seq.)]** (C.48:2-29.30 et seq), the funds  
44 received pursuant to the Low Income Home Energy Assistance  
45 Program established pursuant to 42 U.S.C. s.8621 et seq., and funds  
46 collected by electric and **[natural]** gas public utilities, as authorized  
47 by the board, to offset uncollectible electricity and natural gas bills

1 should be deposited in the fund; and whether new charges should be  
2 imposed to fund new or expanded social programs.  
3 (cf: P.L.2019, c.362, s.13)  
4

5 3. This act shall take effect immediately and shall expire upon  
6 the submission of the “Electric School Bus Pilot Program” report  
7 required to be submitted pursuant to subsection e. of section 1 of  
8 this act.