

Energy **SENATE:** Yes Environment &
Appropriations Budget &

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT (S611): Yes 2/26/2018

LEGISLATIVE FISCAL ESTIMATE (S611): Yes 2/9/2018
3/28/2018

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: Yes

Committee meeting of Senate Environment and Energy Committee [and] Assembly Environment and Solid Waste Committee: the Committees will meet jointly to receive testimony from invited guests concerning climate change mitigation, with testimony focusing on what steps the State is currently taking, and recommendations for future actions to address greenhouse gas emissions
[April 25, 2019, Trenton, New Jersey]
Call number: 974.90 P777, 2019a
Online at: <http://hdl.handle.net/10929/54446>

NEWSPAPER ARTICLES: No

RWH/JA

P.L. 2019, CHAPTER 328, *approved January 13, 2020*
Assembly, No. 1212 (*Second Reprint*)

1 AN ACT concerning the reduction of greenhouse gas emissions, and
2 amending P.L.2007, c.340.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 1 of P.L.2007, c.340 (C.26:2C-45) is amended to
8 read as follows:

9 1. The Legislature finds and declares that New Jersey should
10 implement cost-effective measures to reduce emissions of
11 greenhouse gases, and that emissions trading and the auction of
12 allowances **[can be]** is an effective mechanism to accomplish that
13 objective.

14 The Legislature further finds and declares that entering into
15 agreements or arrangements with appropriate representatives of
16 other states **[may further]** further the purposes of P.L.2007, c.340
17 (C.26:2C-45 et al.) and the "Global Warming Response Act,"
18 P.L.2007, c.112 (C.26:2C-37 et al.).

19 The Legislature further finds and declares that any carbon
20 dioxide emissions allowance trading program established in the
21 State to reduce emissions of greenhouse gases **[should]** must
22 provide both incentives to reduce emissions at their sources and
23 funding or other consumer benefit incentives to reduce the demand
24 for energy, which in turn would reduce the generation and emission
25 of greenhouse gases.

26 The Legislature further finds and declares that funding consumer
27 benefit purposes will result in reduced costs to New Jersey
28 consumers, decreased energy use, decreased greenhouse gas
29 emissions, and substantial and tangible benefits to the energy-using
30 business sector.

31 The Legislature further finds and declares that efforts to reduce
32 greenhouse gas emissions in New Jersey must include
33 complementary programs to reduce greenhouse gas emissions from
34 electricity generated outside of the State but consumed in New
35 Jersey, and that one measure that may be most effective in doing so
36 is the adoption of a greenhouse gas emissions portfolio standard as
37 authorized pursuant to the "Global Warming Response Act,"
38 P.L.2007, c.112 (C.26:2C-37 et al.) and section 38 of P.L.1999,
39 c.23 (C.48:3-87).

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AEN committee amendments adopted February 1, 2018.

²Senate floor amendments adopted February 26, 2018.

1 The Legislature further finds and declares that energy efficiency
2 and conservation measures and increased use of renewable energy
3 resources must be essential elements of the State's energy future and
4 that greater reliance on energy efficiency, conservation, and
5 renewable energy resources will provide significant benefits to the
6 citizens of this State.

7 The Legislature further finds and declares that public utility
8 involvement and competition in the renewable energy, conservation
9 and energy efficiency industries are essential to maximize
10 efficiencies and the use of renewable energy and that the provisions
11 of P.L.2007, c.340 (C.26:2C-45 et al.) **【should】** must be
12 implemented to further competition.

13 The Legislature further finds and declares that any emissions
14 allowance trading program established in the State to reduce
15 emissions of greenhouse gases should transition to any federal
16 program enacted by the federal government that is comparable to
17 the emissions allowance trading program established in New Jersey.

18 The Legislature therefore determines that it is in the public
19 interest to establish a program that **【authorizes】** requires the State
20 to dedicate to consumer benefit purposes up to 100 percent of the
21 revenues derived from the auction or other sale of allowances
22 pursuant to an emissions allowance trading program and to
23 **【authorize】** require the Commissioner of Environmental Protection
24 and the President of the Board of Public Utilities to further the
25 purposes of P.L.2007, c.340 (C.26:2C-45 et al.) and the "Global
26 Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.), by
27 participating with other states in the ²**【formation and】**² activity of a
28 separate legal entity established for the purpose of ²**【furthering】**
29 administering² the Regional Greenhouse Gas Initiative.
30 (cf: P.L.2007, c.340, s.1)

31
32 2. Section 3 of P.L.2007, c.340 (C.26:2C-47) is amended to
33 read as follows:

34 3. a. (1) The department **【,** by rule or regulation adopted
35 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
36 (C.52:14B-1 et seq.), shall take any measures necessary to sell,
37 exchange, retire, assign, allocate, or auction any or all allowances
38 that are created by, budgeted to, or otherwise obtained by the State
39 in furtherance of any **】** shall establish ²**【,** consistent with the terms
40 of the Memorandum of Understanding signed by New Jersey and
41 other states on December 20, 2005,】² a greenhouse gas emissions
42 allowance trading program **【implemented】** ²consistent with the
43 RGGI Model Rule and associated guidance documents, in order² to
44 participate in the Regional Greenhouse Gas Initiative ²**【in order to**
45 reduce】 for the purposes of reducing² or ²**【prevent】** preventing²
46 emissions of greenhouse gases. The department shall adopt rules

1 ²**[or]** and² regulations, pursuant to the "Administrative Procedure
2 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to implement this
3 greenhouse gas emissions allowance trading program, and shall take
4 into consideration the principles and goals of the New Jersey
5 Energy Master Plan in the rule making process. The department
6 **[may exercise this authority in cooperation and coordination]** shall
7 cooperate and coordinate with other states or countries that are
8 participating in regional, national ^{2,2} or international carbon dioxide
9 emissions trading programs with the same or similar purpose. In
10 **[exercising this authority]** doing so , the department shall exclude
11 from the requirement to purchase or acquire any allowances under
12 any greenhouse gas emissions trading program any cogeneration
13 facility or combined heat and power facility that is an "on-site
14 generation facility" as that term is defined in section 3 of P.L.1999,
15 c.23 (C.48:3-51) and sells less than 10 percent of its annual gross
16 electrical generation.

17 (2) Approval and notice by the department of specific
18 procedures and requirements for any auction or other sale of
19 allowances which are formulated by a for-profit or non-profit
20 corporation, association or organization which the department and
21 the board **[are authorized to]** participate in pursuant to section 11
22 of P.L.2007, c.340 (C.26:2C-55) shall not be subject to the
23 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
24 seq.), provided that the specific procedures and requirements are
25 consistent with the process and general requirements outlined in
26 rules and regulations adopted by the department, and the public is
27 afforded an opportunity for review and comment on such specific
28 procedures and requirements.

29 b. **[If the rules or regulations adopted by the department**
30 **pursuant to subsection a. of this section convey allowances utilizing**
31 **an auction, then any]** Any auction to convey allowances :

32 (1) shall be conducted based on the schedule and frequency
33 adopted by the department in consultation with other entities
34 participating in a regional program;

35 (2) ²**[shall include the sale of allowances for current and future**
36 **compliance periods to promote transparency and price stability;**

37 (3)² **] shall include auction design elements that minimize**
38 **allowance price volatility, guard against bidder collusion, and**
39 **mitigate the potential for market manipulation;**

40 ²**[(4) shall include provisions to address, and to the extent**
41 **practicable minimize, the potential for allowance market price**
42 **volatility during the initial control period of a greenhouse gas**
43 **emissions allowance trading program;**

44 (5)² **[(3) shall include provisions to ensure the continued market**
45 **availability of allowances to entities regulated under a greenhouse**
46 **gas emissions allowance trading program, taking into account the**

1 outcomes of auctions and monitoring of the allowance market,
2 which may include the adoption of a flexible process that allows for
3 ongoing modification of auction design and procedures in response
4 to allowance market conditions and allowance market monitoring
5 data, provided that the process allows for public comment and
6 input; and

7 ²[(6)] (4)² may be open to all qualified participants, and all
8 qualified participants may sell or otherwise agree to transfer any or
9 all allowances to any eligible entity.

10 c. The department shall review its position with the Regional
11 Greenhouse Gas Initiative, or any subsequent regional auction , on
12 an annual basis, including the amount of allowances that should be
13 included in a regional auction. This annual review shall include
14 consideration of the environmental and economic impact of the
15 auction, leakage impacts, and the impact on electric generation
16 facilities and ratepayers in the State. The department shall submit a
17 written report of this review to the Governor and to the Legislature
18 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report
19 shall also be posted on the department's website.

20 (cf: P.L.2007, c.340, s.3)

21

22 ¹3. Section 8 of P.L.2007, c.340 (C.26:2C-52) is amended to
23 read as follows:

24 8. a. Within one year after the date of enactment of P.L.2007,
25 c.340 (C.26:2C-45 et al.), the department, in consultation with the
26 New Jersey Economic Development Authority and the board, shall
27 adopt, in accordance with the "Administrative Procedure Act,"
28 P.L.1968, c.410 (C.52:14B-1 et seq.), guidelines and a priority
29 ranking system to be used to assist in annually allocating funds to
30 eligible projects or programs pursuant to subsection b. of section 7
31 of P.L.2007, c.340 (C.26:2C-51).

32 b. The guidelines and the priority ranking system developed
33 pursuant to this section for selecting projects or programs to be
34 awarded grants or other forms of financial assistance from the fund
35 shall include but need not be limited to an evaluation of each
36 eligible project or program as to its predicted ability to:

37 (1) result in a net reduction in greenhouse gas emissions in the
38 State or in greenhouse gas emissions from electricity produced out
39 of the State but consumed in the State or net sequestration of
40 carbon;

41 (2) result in significant reductions in greenhouse gases relative
42 to the cost of the project or program and the reduction of impacts on
43 ratepayers attributable to the implementation of P.L.2007, c.340
44 (C.26:2C-45 et al.), and the ability of the project or program to
45 significantly contribute to achievement of the State's 2020 limit and
46 2050 limit established pursuant to the "Global Warming Response

1 Act," P.L.2007, c.112 (C.26:2C-37 et al.), relative to the cost of the
2 project or program;

3 (3) reduce energy use;

4 (4) provide co-benefits to the State, including but not limited to
5 creating job opportunities, reducing other air pollutants, reducing
6 costs to electricity and natural gas consumers, improving local
7 electric system reliability, and contributing to regional initiatives to
8 reduce greenhouse gas emissions; and

9 (5) be directly responsive to the recommendations when
10 submitted by the department to the Legislature pursuant to section 6
11 of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-
12 42).

13 c. In addition to the criteria set forth in subsection b. of this
14 section, the guidelines and the priority ranking system developed
15 pursuant to this section for selecting projects or programs to be
16 awarded grants or other forms of financial assistance from the fund
17 shall include factors to ensure that grants or other forms of financial
18 assistance from the fund are allocated to projects or programs that
19 will serve communities that are disproportionality impacted by the
20 effects of environmental degradation and climate change, and
21 alleviate the negative effects on human health and the environment
22 resulting therefrom.¹

23 (cf: P.L.2007, c.340, s.8)

24

25 ¹**[3.] 4.**¹ Section 11 of P.L.2007, c.340 (C.26:2C-55) is
26 amended to read as follows:

27 11. a. Notwithstanding the provisions of any other law, rule or
28 regulation to the contrary, to further the purposes of P.L.2007,
29 c.340 (C.26:2C-45 et al.) and the "Global Warming Response Act,"
30 P.L.2007, c.112 (C.26:2C-37 et al.), the commissioner and the
31 board president, or their respective designees, **[are authorized to]**
32 **shall :**

33 (1) enter any agreement or arrangement with the appropriate
34 representatives of other states, including the formation of a for-
35 profit or non-profit corporation, any form of association, or any
36 other form of organization, in this or another state; and

37 (2) participate in any such corporation, association, or
38 organization, and in any activity in furtherance of the purposes
39 thereof, in any capacity including, but not limited to, as directors or
40 officers.

41 b. Any actions that are consistent with, and that further the
42 purposes of, P.L.2007, c.340 (C.26:2C-45 et al.) and the "Global
43 Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.) taken
44 by the commissioner or the board president, or any employee of the
45 department or the board authorized to take such actions by the
46 commissioner or the board president, to form such corporation,
47 association or organization, to participate in its activities, or to enter

1 an agreement or arrangement prior to the date of enactment of
2 P.L.2007, c.340 (C.26:2C-45 et al.), are hereby validated.
3 c. Nothing in P.L.2007, c.340 (C.26:2C-45 et al.) shall be
4 deemed to constitute a waiver of sovereign immunity. By entering
5 any agreement or arrangement authorized pursuant to this section,
6 neither the commissioner nor the board president, nor their
7 respective designees, nor the State consents to suit outside of New
8 Jersey or consents to the governance of such suit under any law
9 other than that of New Jersey.
10 (cf: P.L.2007, c.340, s.11)

11

12 ¹~~[4.]~~ 5.¹ This act shall take effect immediately.

13

14

15

16

17 Clarifies intent of P.L.2007, c.340 regarding NJ's required
18 participation in Regional Greenhouse Gas Initiative.

ASSEMBLY, No. 1212

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblyman REED GUSCIORA

District 15 (Hunterdon and Mercer)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

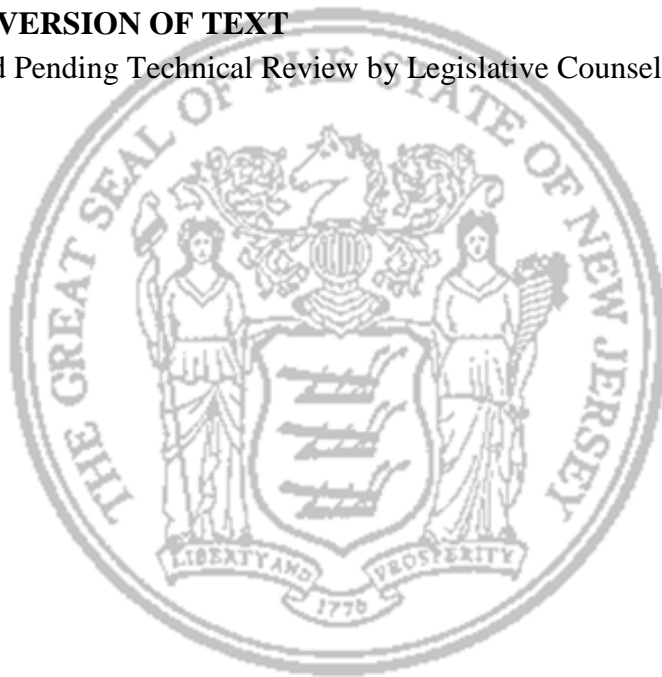
Assemblymen Benson, Conaway, Assemblywoman Jasey, Assemblymen Wimberly, Eustace, Assemblywoman Pinkin, Assemblyman Zwicker and Assemblywoman Murphy

SYNOPSIS

Clarifies intent of P.L.2007, c.340 regarding NJ's required participation in Regional Greenhouse Gas Initiative.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 1/30/2018)

1 AN ACT concerning the reduction of greenhouse gas emissions, and
2 amending P.L.2007, c.340.

3

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

6

7 1. Section 1 of P.L.2007, c.340 (C.26:2C-45) is amended to
8 read as follows:

9 1. The Legislature finds and declares that New Jersey should
10 implement cost-effective measures to reduce emissions of
11 greenhouse gases, and that emissions trading and the auction of
12 allowances **[can be]** is an effective mechanism to accomplish that
13 objective.

14 The Legislature further finds and declares that entering into
15 agreements or arrangements with appropriate representatives of
16 other states **[may further]** furthers the purposes of P.L.2007, c.340
17 (C.26:2C-45 et al.) and the "Global Warming Response Act,"
18 P.L.2007, c.112 (C.26:2C-37 et al.).

19 The Legislature further finds and declares that any carbon
20 dioxide emissions allowance trading program established in the
21 State to reduce emissions of greenhouse gases **[should]** must
22 provide both incentives to reduce emissions at their sources and
23 funding or other consumer benefit incentives to reduce the demand
24 for energy, which in turn would reduce the generation and emission
25 of greenhouse gases.

26 The Legislature further finds and declares that funding consumer
27 benefit purposes will result in reduced costs to New Jersey
28 consumers, decreased energy use, decreased greenhouse gas
29 emissions, and substantial and tangible benefits to the energy-using
30 business sector.

31 The Legislature further finds and declares that efforts to reduce
32 greenhouse gas emissions in New Jersey must include
33 complementary programs to reduce greenhouse gas emissions from
34 electricity generated outside of the State but consumed in New
35 Jersey, and that one measure that may be most effective in doing so
36 is the adoption of a greenhouse gas emissions portfolio standard as
37 authorized pursuant to the "Global Warming Response Act,"
38 P.L.2007, c.112 (C.26:2C-37 et al.) and section 38 of P.L.1999,
39 c.23 (C.48:3-87).

40 The Legislature further finds and declares that energy efficiency
41 and conservation measures and increased use of renewable energy
42 resources must be essential elements of the State's energy future and
43 that greater reliance on energy efficiency, conservation, and
44 renewable energy resources will provide significant benefits to the
45 citizens of this State.

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 The Legislature further finds and declares that public utility
2 involvement and competition in the renewable energy, conservation
3 and energy efficiency industries are essential to maximize
4 efficiencies and the use of renewable energy and that the provisions
5 of P.L.2007, c.340 (C.26:2C-45 et al.) **【should】** must be
6 implemented to further competition.

7 The Legislature further finds and declares that any emissions
8 allowance trading program established in the State to reduce
9 emissions of greenhouse gases should transition to any federal
10 program enacted by the federal government that is comparable to
11 the emissions allowance trading program established in New Jersey.

12 The Legislature therefore determines that it is in the public
13 interest to establish a program that **【authorizes】** requires the State
14 to dedicate to consumer benefit purposes up to 100 percent of the
15 revenues derived from the auction or other sale of allowances
16 pursuant to an emissions allowance trading program and to
17 **【authorize】** require the Commissioner of Environmental Protection
18 and the President of the Board of Public Utilities to further the
19 purposes of P.L.2007, c.340 (C.26:2C-45 et al.) and the "Global
20 Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.), by
21 participating with other states in the formation and activity of a
22 separate legal entity established for the purpose of furthering the
23 Regional Greenhouse Gas Initiative.

24 (cf: P.L.2007, c.340, s.1)

25

26 2. Section 3 of P.L.2007, c.340 (C.26:2C-47) is amended to
27 read as follows:

28 3. a. (1) The department **【**, by rule or regulation adopted
29 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
30 (C.52:14B-1 et seq.), shall take any measures necessary to sell,
31 exchange, retire, assign, allocate, or auction any or all allowances
32 that are created by, budgeted to, or otherwise obtained by the State
33 in furtherance of any **】** shall establish, consistent with the terms of
34 the Memorandum of Understanding signed by New Jersey and other
35 states on December 20, 2005, a greenhouse gas emissions allowance
36 trading program **【implemented】** to participate in the Regional
37 Greenhouse Gas Initiative in order to reduce or prevent emissions
38 of greenhouse gases. The department shall adopt rules or
39 regulations, pursuant to the "Administrative Procedure Act,"
40 P.L.1968, c.410 (C.52:14B-1 et seq.), to implement this greenhouse
41 gas emissions allowance trading program, and shall take into
42 consideration the principles and goals of the New Jersey Energy
43 Master Plan in the rule making process. The department **【may**
44 **exercise this authority in cooperation and coordination】** shall
45 cooperate and coordinate with other states or countries that are
46 participating in regional, national or international carbon dioxide
47 emissions trading programs with the same or similar purpose. In

1 **【exercising this authority】** doing so , the department shall exclude
2 from the requirement to purchase or acquire any allowances under
3 any greenhouse gas emissions trading program any cogeneration
4 facility or combined heat and power facility that is an "on-site
5 generation facility" as that term is defined in section 3 of P.L.1999,
6 c.23 (C.48:3-51) and sells less than 10 percent of its annual gross
7 electrical generation.

8 (2) Approval and notice by the department of specific
9 procedures and requirements for any auction or other sale of
10 allowances which are formulated by a for-profit or non-profit
11 corporation, association or organization which the department and
12 the board **【are authorized to】** participate in pursuant to section 11
13 of P.L.2007, c.340 (C.26:2C-55) shall not be subject to the
14 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
15 seq.), provided that the specific procedures and requirements are
16 consistent with the process and general requirements outlined in
17 rules and regulations adopted by the department, and the public is
18 afforded an opportunity for review and comment on such specific
19 procedures and requirements.

20 b. **【If the rules or regulations adopted by the department**
21 **pursuant to subsection a. of this section convey allowances utilizing**
22 **an auction, then any】** Any auction to convey allowances :

23 (1) shall be conducted based on the schedule and frequency
24 adopted by the department in consultation with other entities
25 participating in a regional program;

26 (2) shall include the sale of allowances for current and future
27 compliance periods to promote transparency and price stability;

28 (3) shall include auction design elements that minimize
29 allowance price volatility, guard against bidder collusion, and
30 mitigate the potential for market manipulation;

31 (4) shall include provisions to address, and to the extent
32 practicable minimize, the potential for allowance market price
33 volatility during the initial control period of a greenhouse gas
34 emissions allowance trading program;

35 (5) shall include provisions to ensure the continued market
36 availability of allowances to entities regulated under a greenhouse
37 gas emissions allowance trading program, taking into account the
38 outcomes of auctions and monitoring of the allowance market,
39 which may include the adoption of a flexible process that allows for
40 ongoing modification of auction design and procedures in response
41 to allowance market conditions and allowance market monitoring
42 data, provided that the process allows for public comment and
43 input; and

44 (6) may be open to all qualified participants, and all qualified
45 participants may sell or otherwise agree to transfer any or all
46 allowances to any eligible entity.

47 c. The department shall review its position with the Regional
48 Greenhouse Gas Initiative, or any subsequent regional auction , on

1 an annual basis, including the amount of allowances that should be
2 included in a regional auction. This annual review shall include
3 consideration of the environmental and economic impact of the
4 auction, leakage impacts, and the impact on electric generation
5 facilities and ratepayers in the State. The department shall submit a
6 written report of this review to the Governor and to the Legislature
7 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report
8 shall also be posted on the department's website.

9 (cf: P.L.2007, c.340, s.3)

10
11 3. Section 11 of P.L.2007, c.340 (C.26:2C-55) is amended to
12 read as follows:

13 11. a. Notwithstanding the provisions of any other law, rule or
14 regulation to the contrary, to further the purposes of P.L.2007,
15 c.340 (C.26:2C-45 et al.) and the "Global Warming Response Act,"
16 P.L.2007, c.112 (C.26:2C-37 et al.), the commissioner and the
17 board president, or their respective designees, **[are authorized to]**
18 shall :

19 (1) enter any agreement or arrangement with the appropriate
20 representatives of other states, including the formation of a for-
21 profit or non-profit corporation, any form of association, or any
22 other form of organization, in this or another state; and

23 (2) participate in any such corporation, association, or
24 organization, and in any activity in furtherance of the purposes
25 thereof, in any capacity including, but not limited to, as directors or
26 officers.

27 b. Any actions that are consistent with, and that further the
28 purposes of, P.L.2007, c.340 (C.26:2C-45 et al.) and the "Global
29 Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.) taken
30 by the commissioner or the board president, or any employee of the
31 department or the board authorized to take such actions by the
32 commissioner or the board president, to form such corporation,
33 association or organization, to participate in its activities, or to enter
34 an agreement or arrangement prior to the date of enactment of
35 P.L.2007, c.340 (C.26:2C-45 et al.), are hereby validated.

36 c. Nothing in P.L.2007, c.340 (C.26:2C-45 et al.) shall be
37 deemed to constitute a waiver of sovereign immunity. By entering
38 any agreement or arrangement authorized pursuant to this section,
39 neither the commissioner nor the board president, nor their
40 respective designees, nor the State consents to suit outside of New
41 Jersey or consents to the governance of such suit under any law
42 other than that of New Jersey.

43 (cf: P.L.2007, c.340, s.11)

44
45 4. This act shall take effect immediately.

1 STATEMENT

2

3 This bill clarifies the intent of P.L.2007, c.340 (C.26:2C-45 et al.)
4 and specifically requires the State's participation in the Regional
5 Greenhouse Gas Initiative (RGGI).

6 P.L.2007, c.340, commonly referred to as the Regional
7 Greenhouse Gas Initiative or the "RGGI" implementing law, was
8 enacted to further the purposes of the "Global Warming Response
9 Act" (GWRA), P.L.2007, c.112 (C.26:2C-37 et al.). The RGGI
10 implementing law partially implements the policies of the GWRA by
11 creating an emissions auction and trading mechanism to reduce the
12 level of greenhouse gas emissions, namely carbon dioxide. P.L.2007,
13 c.340 recognizes the State's participation in RGGI by setting forth the
14 parameters to be followed for allowances auctions, and creating the
15 "Global Warming Solutions Fund" and statutorily dedicating all the
16 proceeds received from the sale, exchange or other conveyance of
17 allowances through a greenhouse gas emissions allowance trading
18 program to the fund.

ASSEMBLY ENVIRONMENT AND SOLID WASTE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1212

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 1, 2018

The Assembly Environment and Solid Waste Committee reports favorably and with committee amendments Assembly Bill No. 1212.

This bill clarifies the intent of P.L.2007, c.340 (C.26:2C-45 et al.) and specifically requires the State's participation in the Regional Greenhouse Gas Initiative (RGGI).

P.L.2007, c.340, commonly referred to as the Regional Greenhouse Gas Initiative or the "RGGI" implementing law, was enacted to further the purposes of the "Global Warming Response Act" (GWRA), P.L.2007, c.112 (C.26:2C-37 et al.). The RGGI implementing law partially implements the policies of the GWRA by creating an emissions auction and trading mechanism to reduce the level of greenhouse gas emissions, namely carbon dioxide. P.L.2007, c.340 recognizes the State's participation in RGGI by setting forth the parameters to be followed for allowances auctions, and creating the "Global Warming Solutions Fund" and statutorily dedicating all the proceeds received from the sale, exchange or other conveyance of allowances through a greenhouse gas emissions allowance trading program to the fund.

As amended by the committee, this bill would require the guidelines and the priority ranking system developed pursuant to current law for use by administering agencies in selecting projects or programs to be awarded grants or other forms of financial assistance from the "Global Warming Solutions Fund" to include factors to ensure that grants or other forms of financial assistance are allocated to projects or programs that will serve communities that are disproportionately impacted by the effects of environmental degradation and climate change, and alleviate the negative effects on human health and the environment resulting therefrom.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amendments to the bill would require the guidelines and the priority ranking system to be developed pursuant to current law for selecting projects or programs to be awarded grants or other forms of financial assistance from the “Global Warming Solutions Fund” to include factors to ensure that grants or other forms of financial assistance are allocated to projects or programs that will serve communities that are disproportionately impacted by the effects of environmental degradation and climate change, and alleviate the negative effects on human health and the environment resulting therefrom.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 1212

with Senate Floor Amendments
(Proposed by Senator B. SMITH)

ADOPTED: FEBRUARY 26, 2018

These floor amendments would:

(1) clarify that the greenhouse gas emissions allowance trading program established by the Department of Environmental Protection must be consistent with the RGGI Model Rule and associated guidance documents, as opposed to the Memorandum of Understanding (MOU) signed by the governors of other states (the Model Rule replaced the MOU as the guiding document for RGGI participating states);

(2) remove the requirement that the auction to convey allowances include the sale of allowances for future compliance periods (RGGI participating states have not offered the sale of future allowances since 2011);

(3) remove the requirement that the auction to convey allowances include provisions to address and minimize the potential for allowance market price volatility during the initial control period of a greenhouse gas emissions allowance trading program (this requirement no longer applies because RGGI has already completed three control periods); and

(4) make other clarifying and technical changes.

As amended, this bill is identical to the Senate Committee Substitute for Senate Bill Nos. 611 and 874, as also amended by the Senate.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 1212

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: FEBRUARY 21, 2018

SUMMARY

- Synopsis:** Clarifies intent of P.L.2007, c.340 regarding NJ's required participation in Regional Greenhouse Gas Initiative.
- Type of Impact:** Annual offsetting State revenue and expenditure increases to the Global Warming Solutions Fund. Potential annual State revenue and expenditure increases to the General Fund. Potential annual local government expenditure increase.
- Agencies Affected:** Board of Public Utilities, Department of Environmental Protection, Economic Development Authority, Department of the Treasury, and local governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Revenue Increase	At least \$30,000,000
State Expenditure Increase	At least \$30,000,000
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would produce annual offsetting State revenue and expenditure increases of approximately \$30.0 million related to the sale of emission allowances under the Regional Greenhouse Gas Initiative (RGGI); however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.
- When the State formerly participated in RGGI it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. By extrapolating from New Jersey's collections from the early RGGI auctions and calendar year 2017 auction results for participating RGGI states, the OLS estimates that if New Jersey had participated in RGGI in calendar year 2017 it would have collected approximately \$30.0 million. It should be noted that this estimate is based on 2017 market conditions.
- Two additional fiscal impacts would materialize if participation in RGGI were to result in higher retail electricity rates: an annual State revenue increase of up to \$2.0 million from the

application of the sales and use tax to sales of higher-priced electricity and an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

BILL DESCRIPTION

The bill clarifies the intent of P.L.2007, c.340 and requires the State's full participation in RGGI. P.L.2007, c.340 previously authorized New Jersey's participation in RGGI. The State initially joined the initiative but withdrew therefrom effective at the end of calendar year 2011.

P.L.2007, c.340, commonly referred to as the RGGI implementing law, was enacted to further the purposes of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.). The RGGI implementing law created an emissions auction and trading mechanism to reduce the level of greenhouse gas emissions, especially carbon dioxide (CO₂), from electric power plants. P.L.2007, c.340 recognizes the State's participation in RGGI by setting forth the parameters to be followed for allowance auctions; creating the special, non-lapsing Global Warming Solutions Fund; and statutorily dedicating all the proceeds received from the sale of allowances through a greenhouse gas emissions allowance trading program to the fund.

P.L.2007, c.340 also directs the Economic Development Authority (EDA) to use 60 percent of fund receipts to provide financial assistance to commercial, institutional, and industrial entities to support energy efficiency projects, combined heat and power production facilities, and new efficient electric generation facilities. The Board of Public Utilities (BPU) is to use another 20 percent of the proceeds to support programs reducing the electricity demand or costs of low- and moderate-income residential ratepayers primarily in urban areas. The Department of Environmental Protection (DEP) is to use the remaining 20 percent to manage the State's forests and tidal marshes and to support local government initiatives designed to lower greenhouse gas emissions. A total not exceeding eight percent of collections may be used by the EDA, BPU, and DEP combined to pay for administrative expenses related to P.L.2007, c.340.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would produce annual offsetting State revenue and expenditure increases of approximately \$30.0 million related to the sale of emission allowances under RGGI; however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.

When the State formerly participated in RGGI it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. By extrapolating from New Jersey's collections from the early RGGI auctions and calendar year 2017 auction results for participating RGGI states, the OLS estimates that if New Jersey had participated in RGGI in calendar year 2017 it would have collected approximately \$30.0 million. It should be noted that this estimate is based on 2017 market conditions. The supply, demand, and resulting auction prices of emission allowances, however, fluctuate. For example, the OLS notes that allowance

clearing prices in the four auctions held during 2017 were \$3.00, \$2.51, \$4.35, and \$3.80 per ton. The OLS also notes that CO₂ allowances are issued by each RGGI state and, together, all the CO₂ allowances issued by all the RGGI states comprise the RGGI cap. The RGGI cap and the CO₂ allowances issued by each state are adjusted yearly.

The OLS estimates that the bill would result in the annual expenditure of approximately \$30.0 million in anticipated Global Warming Solutions Fund balances. P.L.2007, c.340 requires the deposit of emission allowance auction proceeds in the Global Warming Solutions Fund. The law also requires the expenditure of fund balances for certain environmental purposes as outlined on the previous page.

In addition, if participation in RGGI were to result in higher retail electricity rates, two additional fiscal impacts would materialize: an annual State revenue increase of up to \$2.0 million from the application of the sales and use tax rate of 6.625 percent to sales of higher-priced electricity and an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 1212

with Senate Floor Amendments
(Proposed by Senator B. SMITH)

ADOPTED: FEBRUARY 26, 2018

These floor amendments would:

(1) clarify that the greenhouse gas emissions allowance trading program established by the Department of Environmental Protection must be consistent with the RGGI Model Rule and associated guidance documents, as opposed to the Memorandum of Understanding (MOU) signed by the governors of other states (the Model Rule replaced the MOU as the guiding document for RGGI participating states);

(2) remove the requirement that the auction to convey allowances include the sale of allowances for future compliance periods (RGGI participating states have not offered the sale of future allowances since 2011);

(3) remove the requirement that the auction to convey allowances include provisions to address and minimize the potential for allowance market price volatility during the initial control period of a greenhouse gas emissions allowance trading program (this requirement no longer applies because RGGI has already completed three control periods); and

(4) make other clarifying and technical changes.

As amended, this bill is identical to the Senate Committee Substitute for Senate Bill Nos. 611 and 874, as also amended by the Senate.

SENATE, No. 611

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS

Requires State's participation in Regional Greenhouse Gas Initiative.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/17/2018)

1 AN ACT concerning the reduction of greenhouse gas emissions, and
2 amending and supplementing P.L.2007, c.340.

3

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

6

7 1. (New section) a. Except as otherwise provided in subsection
8 b. of this section, the State shall fully participate in the Regional
9 Greenhouse Gas Initiative, established through a Memorandum of
10 Understanding signed by the governors of several states on
11 December 20, 2005, as amended.

12 b. If the Governor determines, after participating in the
13 Regional Greenhouse Gas Initiative pursuant to the provisions of
14 subsection a. of this section and P.L.2007, c.340 (C.26:2C-45 et
15 seq.), that it is not in the best interests of the State to continue to
16 participate in the Regional Greenhouse Gas Initiative, the Governor
17 shall send written notice to the President of the Senate, the Speaker
18 of the General Assembly, and the chairpersons of the Senate
19 Environment and Energy Committee and the Assembly
20 Environment and Solid Waste Committee, or their successors,
21 outlining the reasons for such a determination. Upon adoption by
22 the Legislature of a concurrent resolution stating, in substance, that
23 the Legislature concurs with the determination of the Governor, the
24 Governor may take such steps as are necessary to withdraw the
25 State from participation in the Regional Greenhouse Gas Initiative.

26

27 2. Section 1 of P.L.2007, c.340 (C.26:2C-45) is amended to
28 read as follows:

29 1. The Legislature finds and declares that New Jersey should
30 implement cost-effective measures to reduce emissions of
31 greenhouse gases, and that emissions trading and the auction of
32 allowances **【can be】** is an effective mechanism to accomplish that
33 objective.

34 The Legislature further finds and declares that entering into
35 agreements or arrangements with appropriate representatives of
36 other states **【may】** will further the purposes of P.L.2007, c.340
37 (C.26:2C-45 et al.) and the "Global Warming Response Act,"
38 P.L.2007, c.112 (C.26:2C-37 et al.).

39 The Legislature further finds and declares that any carbon
40 dioxide emissions allowance trading program established in the
41 State to reduce emissions of greenhouse gases **【should】** must
42 provide both incentives to reduce emissions at their sources and
43 funding or other consumer benefit incentives to reduce the demand
44 for energy, which in turn would reduce the generation and emission
45 of greenhouse gases.

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 The Legislature further finds and declares that funding consumer
2 benefit purposes will result in reduced costs to New Jersey
3 consumers, decreased energy use, decreased greenhouse gas
4 emissions, and substantial and tangible benefits to the energy-using
5 business sector.

6 The Legislature further finds and declares that efforts to reduce
7 greenhouse gas emissions in New Jersey must include
8 complementary programs to reduce greenhouse gas emissions from
9 electricity generated outside of the State but consumed in New
10 Jersey, and that one measure that **【may】** will be most effective in
11 doing so is the adoption of a greenhouse gas emissions portfolio
12 standard as authorized pursuant to the "Global Warming Response
13 Act," P.L.2007, c.112 (C.26:2C-37 et al.) and section 38 of
14 P.L.1999, c.23 (C.48:3-87).

15 The Legislature further finds and declares that energy efficiency
16 and conservation measures and increased use of renewable energy
17 resources must be essential elements of the State's energy future and
18 that greater reliance on energy efficiency, conservation, and
19 renewable energy resources will provide significant benefits to the
20 citizens of this State.

21 The Legislature further finds and declares that public utility
22 involvement and competition in the renewable energy, conservation
23 and energy efficiency industries are essential to maximize
24 efficiencies and the use of renewable energy and that the provisions
25 of P.L.2007, c.340 (C.26:2C-45 et al.) **【should】** must be
26 implemented to further competition.

27 The Legislature further finds and declares that any emissions
28 allowance trading program established in the State to reduce
29 emissions of greenhouse gases should transition to any federal
30 program enacted by the federal government that is comparable to
31 the emissions allowance trading program established in New Jersey.

32 The Legislature therefore determines that it is in the public
33 interest to establish a program that **【authorizes】** requires the State
34 to dedicate to consumer benefit purposes up to 100 percent of the
35 revenues derived from the auction or other sale of allowances
36 pursuant to an emissions allowance trading program and to
37 **【authorize】** require the Commissioner of Environmental Protection
38 and the President of the Board of Public Utilities to further the
39 purposes of P.L.2007, c.340 (C.26:2C-45 et al.) and the "Global
40 Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.), by
41 participating with other states in the formation and activity of a
42 separate legal entity established for the purpose of furthering the
43 Regional Greenhouse Gas Initiative.

44 (cf: P.L.2007, c.340, s.1)

45

46 3. Section 3 of P.L.2007, c.340 (C.26:2C-47) is amended to
47 read as follows:

1 3. a. (1) The department **【**, by rule or regulation adopted
2 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
3 (C.52:14B-1 et seq.), shall take any measures necessary to sell,
4 exchange, retire, assign, allocate, or auction any or all allowances
5 that are created by, budgeted to, or otherwise obtained by the State
6 in furtherance of any**】** shall establish, consistent with the terms of
7 the Memorandum of Understanding signed by New Jersey and other
8 states on December 20, 2005, a greenhouse gas emissions allowance
9 trading program **【implemented】** to participate in the Regional
10 Greenhouse Gas Initiative in order to reduce or prevent emissions
11 of greenhouse gases. The department shall adopt rules and
12 regulations pursuant to the "Administrative Procedure Act,"
13 P.L.1968, c.410 (C.52:14B-1 et seq.), to implement the greenhouse
14 gas emissions allowance trading program, and shall take into
15 consideration the principles and goals of the New Jersey Energy
16 Master Plan in the rule making process. The department **【may**
17 exercise this authority in cooperation and coordination**】** shall
18 cooperate and coordinate with other states or countries that are
19 participating in regional, national , or international carbon dioxide
20 emissions trading programs with the same or similar purpose. In
21 **【exercising this authority】** doing so, the department shall exclude
22 from the requirement to purchase or acquire any allowances under
23 any greenhouse gas emissions trading program any cogeneration
24 facility or combined heat and power facility that is an "on-site
25 generation facility" as that term is defined in section 3 of P.L.1999,
26 c.23 (C.48:3-51) and sells less than 10 percent of its annual gross
27 electrical generation.

28 (2) Approval and notice by the department of specific
29 procedures and requirements for any auction or other sale of
30 allowances which are formulated by a for-profit or non-profit
31 corporation, association or organization which the department and
32 the board **【are authorized to】** participate in pursuant to section 11
33 of P.L.2007, c.340 (C.26:2C-55) shall not be subject to the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), provided that the specific procedures and requirements are
36 consistent with the process and general requirements outlined in the
37 rules and regulations adopted by the department, and the public is
38 afforded an opportunity for review and comment on such specific
39 procedures and requirements.

40 b. **【If the rules or regulations adopted by the department**
41 **pursuant to subsection a. of this section convey allowances utilizing**
42 **an auction, then any**】** Any auction to convey allowances:**

43 (1) shall be conducted based on the schedule and frequency
44 adopted by the department in consultation with other entities
45 participating in a regional program;

46 (2) shall include the sale of allowances for current and future
47 compliance periods to promote transparency and price stability;

1 (3) shall include auction design elements that minimize
2 allowance price volatility, guard against bidder collusion, and
3 mitigate the potential for market manipulation;

4 (4) shall include provisions to address, and to the extent
5 practicable minimize, the potential for allowance market price
6 volatility during the initial control period of a greenhouse gas
7 emissions allowance trading program;

8 (5) shall include provisions to ensure the continued market
9 availability of allowances to entities regulated under a greenhouse
10 gas emissions allowance trading program, taking into account the
11 outcomes of auctions and monitoring of the allowance market,
12 which may include the adoption of a flexible process that allows for
13 ongoing modification of auction design and procedures in response
14 to allowance market conditions and allowance market monitoring
15 data, provided that the process allows for public comment and
16 input; and

17 (6) may be open to all qualified participants, and all qualified
18 participants may sell or otherwise agree to transfer any or all
19 allowances to any eligible entity.

20 c. The department shall review its position with the Regional
21 Greenhouse Gas Initiative, or any subsequent regional auction , on
22 an annual basis, including the amount of allowances that should be
23 included in a regional auction. This annual review shall include
24 consideration of the environmental and economic impact of the
25 auction, leakage impacts, and the impact on electric generation
26 facilities and ratepayers in the State. The department shall submit a
27 written report of this review to the Governor and to the Legislature
28 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report
29 shall also be posted on the department's website.

30 (cf: P.L.2007, c.340, s.3)

31

32 4. Section 11 of P.L.2007, c.340 (C.26:2C-55) is amended to
33 read as follows:

34 11. a. Notwithstanding the provisions of any other law, rule or
35 regulation to the contrary, to further the purposes of P.L.2007,
36 c.340 (C.26:2C-45 et al.) and the "Global Warming Response Act,"
37 P.L.2007, c.112 (C.26:2C-37 et al.), the commissioner and the
38 board president, or their respective designees, **[are authorized to]**
39 shall:

40 (1) enter any agreement or arrangement with the appropriate
41 representatives of other states, including the formation of a for-
42 profit or non-profit corporation, any form of association, or any
43 other form of organization, in this or another state; and

44 (2) participate in any such corporation, association, or
45 organization, and in any activity in furtherance of the purposes
46 thereof, in any capacity including, but not limited to, as directors or
47 officers.

1 b. Any actions that are consistent with, and that further the
2 purposes of, P.L.2007, c.340 (C.26:2C-45 et al.) and the "Global
3 Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.) taken
4 by the commissioner or the board president, or any employee of the
5 department or the board authorized to take such actions by the
6 commissioner or the board president, to form such corporation,
7 association, or organization, to participate in its activities, or to
8 enter an agreement or arrangement prior to the date of enactment of
9 P.L.2007, c.340 (C.26:2C-45 et al.), are hereby validated.

10 c. Nothing in P.L.2007, c.340 (C.26:2C-45 et al.) shall be
11 deemed to constitute a waiver of sovereign immunity. By entering
12 any agreement or arrangement authorized pursuant to this section,
13 neither the commissioner nor the board president, nor their
14 respective designees, nor the State consents to suit outside of New
15 Jersey or consents to the governance of such suit under any law
16 other than that of New Jersey.

17 (cf: P.L.2007, c.340, s.11)

18

19 5. This act shall take effect immediately.

20

21

22

STATEMENT

23

24 This bill clarifies the intent of P.L.2007, c.340 (C.26:2C-45 et
25 al.) and specifically requires the State's full participation in the
26 Regional Greenhouse Gas Initiative (RGGI).

27 This bill would allow a Governor to withdraw the State from
28 participation in RGGI if: (1) the Governor determines that it is not
29 in the best interests of the State to continue to participate, and sends
30 written notice to the President of the Senate, the Speaker of the
31 General Assembly, and the chairpersons of the Senate Environment
32 and Energy Committee and the Assembly Environment and Solid
33 Waste Committee, or their successors, of that determination and the
34 reasons therefor, and (2) the Legislature adopts a concurrent
35 resolution stating, in substance, that the Legislature concurs with
36 the determination of the Governor.

37 P.L.2007, c.340, commonly referred to as the "RGGI"
38 implementing law, was enacted to further the purposes of the
39 "Global Warming Response Act" (GWRA), P.L.2007, c.112
40 (C.26:2C-37 et al.). The RGGI implementing law partially
41 implements the policies of the GWRA by creating an emissions
42 auction and trading mechanism to reduce the level of greenhouse
43 gas emissions, especially carbon dioxide. P.L.2007, c.340
44 recognizes the State's participation in RGGI by setting forth the
45 parameters to be followed for allowance auctions, creating the
46 "Global Warming Solutions Fund," and statutorily dedicating all the
47 proceeds received from the sale, exchange, or other conveyance of
48 allowances through a greenhouse gas emissions allowance trading

- 1 program to the fund. New Jersey participated in RGGI from its
- 2 inception in December 2005 until the State withdrew from the
- 3 agreement in December 2011.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, Nos. 611 and 874**

STATE OF NEW JERSEY

DATED: JANUARY 22, 2018

The Senate Environment and Energy Committee favorably reports a committee substitute for Senate Bill Nos. 611 and 874.

This committee substitute clarifies the intent of P.L.2007, c.340 (C.26:2C-45 et al.) and specifically requires the State's full participation in the Regional Greenhouse Gas Initiative (RGGI).

The committee substitute would allow a Governor to withdraw the State from participation in RGGI if: (1) the Governor determines that it is not in the best interests of the State to continue to participate, and sends written notice to the President of the Senate, the Speaker of the General Assembly, and the chairpersons of the Senate Environment and Energy Committee and the Assembly Environment and Solid Waste Committee, or their successors, of that determination and the reasons therefor, and (2) the Legislature adopts a concurrent resolution stating, in substance, that the Legislature concurs with the determination of the Governor.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, Nos. 611 and 874**

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill Nos. 611 and 874 (SCS).

This bill clarifies the intent of P.L.2007, c.340 (C.26:2C-45 et al.) and, specifically, requires the State's full participation in the Regional Greenhouse Gas Initiative (RGGI).

This bill allows the Governor to withdraw the State from participation in RGGI if: (1) the Governor determines that it is not in the best interests of the State to continue to participate and sends written notice to the President of the Senate, the Speaker of the General Assembly, and the chairpersons of the Senate Environment and Energy Committee and the Assembly Environment and Solid Waste Committee, or their successors, of that determination and the reasons therefor, and (2) the Legislature adopts a concurrent resolution stating, in substance, that the Legislature concurs with the determination of the Governor.

On January 29, 2018, the Governor of New Jersey signed an executive order, which mandates that the New Jersey Department of Environmental Protection and Board of Public Utilities begin the process of reentering the State into RGGI; the State previously withdrew from the compact in 2012. The RGGI is a cooperative effort among the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont to cap and reduce greenhouse gas emissions.

Pursuant to P.L.2007, c.340, an emissions auction and trading mechanism was established to reduce the level of greenhouse gas emissions, and in particular carbon dioxide. This law recognizes the State's participation in RGGI by setting forth the parameters to be followed for allowance auctions, creating the "Global Warming Solutions Fund," and statutorily dedicating all the proceeds received from the sale, exchange, or other conveyance of allowances through a greenhouse gas emissions allowance trading program to the fund.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will produce annual offsetting State revenue and expenditure increases of approximately \$30 million related to the sale of emission

allowances under the Regional Greenhouse Gas Initiative (RGGI); however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.

When the State formerly participated in RGGI, it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. The OLS estimates that if the State had participated in RGGI in calendar year 2017, it would have collected approximately \$30 million.

The OLS also estimates that two additional fiscal impacts would materialize if participation in RGGI results in higher retail electricity rates: (1) an annual State revenue increase of up to \$2 million from the application of the sales and use tax to sales of higher-priced electricity; and (2) an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

STATEMENT TO
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 611 and 874

with Senate Floor Amendments
(Proposed by Senator B.SMITH)

ADOPTED: FEBRUARY 26, 2018

These floor amendments would:

(1) remove section 1 of the bill, which would have established a process whereby the Governor could withdraw from the Regional Greenhouse Gas Initiative (RGGI) with the approval of the Legislature in the form of a concurrent resolution;

(2) add a new section amending existing law to require the Department of Environmental Protection (DEP), when establishing guidelines and a priority ranking system for allocating funds from the “Global Warming Solutions Fund,” to include factors to ensure that funds are allocated to projects or programs that will serve communities that are disproportionately impacted by the effects of environmental degradation and climate change;

(3) clarify that the greenhouse gas emissions allowance trading program established by the DEP must be consistent with the RGGI Model Rule and associated guidance documents, as opposed to the Memorandum of Understanding (MOU) signed by the governors of other states (the Model Rule replaced the MOU as the guiding document for RGGI participating states);

(4) remove the requirement that the auction to convey allowances include the sale of allowances for future compliance periods (RGGI participating states have not offered the sale of future allowances since 2011);

(5) remove the requirement that the auction to convey allowances include provisions to address and minimize the potential for allowance market price volatility during the initial control period of a greenhouse gas emissions allowance trading program (this requirement no longer applies because RGGI has already completed three control periods); and

(6) make other clarifying and technical changes.

As amended, this bill is identical to Assembly Bill No. 1212 (1R), as also amended by the Senate.

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, Nos. 611 and 874

with Senate Floor Amendments
(Proposed by Senator B.SMITH)

ADOPTED: FEBRUARY 26, 2018

These floor amendments would:

(1) remove section 1 of the bill, which would have established a process whereby the Governor could withdraw from the Regional Greenhouse Gas Initiative (RGGI) with the approval of the Legislature in the form of a concurrent resolution;

(2) add a new section amending existing law to require the Department of Environmental Protection (DEP), when establishing guidelines and a priority ranking system for allocating funds from the “Global Warming Solutions Fund,” to include factors to ensure that funds are allocated to projects or programs that will serve communities that are disproportionately impacted by the effects of environmental degradation and climate change;

(3) clarify that the greenhouse gas emissions allowance trading program established by the DEP must be consistent with the RGGI Model Rule and associated guidance documents, as opposed to the Memorandum of Understanding (MOU) signed by the governors of other states (the Model Rule replaced the MOU as the guiding document for RGGI participating states);

(4) remove the requirement that the auction to convey allowances include the sale of allowances for future compliance periods (RGGI participating states have not offered the sale of future allowances since 2011);

(5) remove the requirement that the auction to convey allowances include provisions to address and minimize the potential for allowance market price volatility during the initial control period of a greenhouse gas emissions allowance trading program (this requirement no longer applies because RGGI has already completed three control periods); and

(6) make other clarifying and technical changes.

As amended, this bill is identical to Assembly Bill No. 1212 (1R), as also amended by the Senate.

LEGISLATIVE FISCAL ESTIMATE
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 611 and 874
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: FEBRUARY 9, 2018

SUMMARY

- Synopsis:** Requires State’s participation in Regional Greenhouse Gas Initiative.
- Types of Impact:** Annual offsetting State revenue and expenditure increases to the Global Warming Solutions Fund. Potential annual State revenue and expenditure increases to the General Fund. Potential annual local government expenditure increase.
- Agencies Affected:** Board of Public Utilities, Department of Environmental Protection, Economic Development Authority, Department of the Treasury, and local governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Revenue Increase	At least \$30,000,000
State Expenditure Increase	At least \$30,000,000
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would produce annual offsetting State revenue and expenditure increases of approximately \$30.0 million related to the sale of emission allowances under the Regional Greenhouse Gas Initiative (RGGI); however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.
- When the State formerly participated in RGGI it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. By extrapolating from New Jersey’s collections from the early RGGI auctions and calendar year 2017 auction results for participating RGGI states, the OLS estimates that if New Jersey had participated in RGGI in calendar year 2017 it would have collected approximately \$30.0 million. It should be noted that this estimate is based on 2017 market conditions.
- Two additional fiscal impacts would materialize if participation in RGGI were to result in higher retail electricity rates: an annual State revenue increase of up to \$2.0 million from the

application of the sales and use tax to sales of higher-priced electricity and an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

BILL DESCRIPTION

The bill requires the State's full participation in RGGI. P.L.2007, c.340 previously authorized New Jersey's participation in RGGI. The State initially joined the initiative but withdrew therefrom effective at the end of calendar year 2011.

P.L.2007, c.340, commonly referred to as the RGGI implementing law, was enacted to further the purposes of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.). The RGGI implementing law created an emissions auction and trading mechanism to reduce the level of greenhouse gas emissions, especially carbon dioxide (CO₂), from electric power plants. P.L.2007, c.340 recognizes the State's participation in RGGI by setting forth the parameters to be followed for allowance auctions; creating the special, non-lapsing Global Warming Solutions Fund; and statutorily dedicating all the proceeds received from the sale of allowances through a greenhouse gas emissions allowance trading program to the fund.

P.L.2007, c.340 also directs the Economic Development Authority (EDA) to use 60 percent of fund receipts to provide financial assistance to commercial, institutional, and industrial entities to support energy efficiency projects, combined heat and power production facilities, and new efficient electric generation facilities. The Board of Public Utilities (BPU) is to use another 20 percent of the proceeds to support programs reducing the electricity demand or costs of low- and moderate-income residential ratepayers primarily in urban areas. The Department of Environmental Protection (DEP) is to use the remaining 20 percent to manage the State's forests and tidal marshes and to support local government initiatives designed to lower greenhouse gas emissions.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would produce annual offsetting State revenue and expenditure increases of approximately \$30.0 million related to the sale of emission allowances under RGGI; however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.

When the State formerly participated in RGGI it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. By extrapolating from New Jersey's collections from the early RGGI auctions and calendar year 2017 auction results for participating RGGI states, the OLS estimates that if New Jersey had participated in RGGI in calendar year 2017 it would have collected approximately \$30.0 million. It should be noted that this estimate is based on 2017 market conditions. The supply, demand, and resulting auction prices of emission allowances, however, fluctuate. For example, the OLS notes that allowance clearing prices in the four auctions held during 2017 were \$3.00, \$2.51, \$4.35, and \$3.80 per ton.

The OLS also notes that CO₂ allowances are issued by each RGGI state and, together, all the CO₂ allowances issued by all the RGGI states comprise the RGGI cap. The RGGI cap and the CO₂ allowances issued by each state are adjusted yearly.

The OLS estimates that the bill would result in the annual expenditure of approximately \$30.0 million in anticipated Global Warming Solutions Fund balances. P.L.2007, c.340 requires the deposit of emission allowance auction proceeds in the Global Warming Solutions Fund. The law also requires the expenditure of fund balances for certain environmental purposes. The EDA is to use 60 percent of fund receipts to provide financial assistance to commercial, institutional, and industrial entities to support energy efficiency projects, combined heat and power production facilities, and new efficient electric generation facilities. The BPU is to use another 20 percent of the proceeds to support programs reducing the electricity demand or costs of low- and moderate-income residential ratepayers primarily in urban areas. The DEP is to use the remaining 20 percent to manage the State's forests and tidal marshes and to support local government initiatives designed to lower greenhouse gas emissions. A total not exceeding eight percent of collections may be used by the EDA, BPU, and DEP combined to pay for administrative expenses related to P.L.2007, c.340.

In addition, if participation in RGGI were to result in higher retail electricity rates, two additional fiscal impacts would materialize: an annual State revenue increase of up to \$2.0 million from the application of the sales and use tax rate of 6.625 percent to sales of higher-priced electricity and an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE
 [First Reprint]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 611 and 874
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: MARCH 28, 2018

SUMMARY

- Synopsis:** Clarifies intent of P.L.2007, c.340 regarding NJ’s required participation in Regional Greenhouse Gas Initiative.
- Type of Impact:** Annual offsetting State revenue and expenditure increases to the Global Warming Solutions Fund. Potential annual State revenue and expenditure increases to the General Fund. Potential annual local government expenditure increase.
- Agencies Affected:** Board of Public Utilities, Department of Environmental Protection, Economic Development Authority, Department of the Treasury, and local governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Revenue Increase	At least \$30,000,000
State Expenditure Increase	At least \$30,000,000
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would produce annual offsetting State revenue and expenditure increases of approximately \$30.0 million related to the sale of emission allowances under the Regional Greenhouse Gas Initiative (RGGI); however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.
- When the State formerly participated in RGGI it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. By extrapolating from New Jersey’s collections from the early RGGI auctions and calendar year 2017 auction results for participating RGGI states, the OLS estimates that if New Jersey had participated in RGGI in calendar year 2017 it would have collected approximately \$30.0 million. It should be noted that this estimate is based on 2017 market conditions.

- Two additional fiscal impacts would materialize if participation in RGGI were to result in higher retail electricity rates: an annual State revenue increase of up to \$2.0 million from the application of the sales and use tax to sales of higher-priced electricity and an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

BILL DESCRIPTION

The bill clarifies the intent of P.L.2007, c.340 and requires the State's full participation in RGGI. P.L.2007, c.340 previously authorized New Jersey's participation in RGGI. The State initially joined the initiative but withdrew therefrom effective at the end of calendar year 2011.

P.L.2007, c.340, commonly referred to as the RGGI implementing law, was enacted to further the purposes of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.). The RGGI implementing law created an emissions auction and trading mechanism to reduce the level of greenhouse gas emissions, especially carbon dioxide (CO₂), from electric power plants. P.L.2007, c.340 recognizes the State's participation in RGGI by setting forth the parameters to be followed for allowance auctions; creating the special, non-lapsing Global Warming Solutions Fund; and statutorily dedicating all the proceeds received from the sale of allowances through a greenhouse gas emissions allowance trading program to the fund.

P.L.2007, c.340 also directs the Economic Development Authority (EDA) to use 60 percent of fund receipts to provide financial assistance to commercial, institutional, and industrial entities to support energy efficiency projects, combined heat and power production facilities, and new efficient electric generation facilities. The Board of Public Utilities (BPU) is to use another 20 percent of the proceeds to support programs reducing the electricity demand or costs of low- and moderate-income residential ratepayers primarily in urban areas. The Department of Environmental Protection (DEP) is to use the remaining 20 percent to manage the State's forests and tidal marshes and to support local government initiatives designed to lower greenhouse gas emissions. A total not exceeding eight percent of collections may be used by the EDA, BPU, and DEP combined to pay for administrative expenses related to P.L.2007, c.340.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would produce annual offsetting State revenue and expenditure increases of approximately \$30.0 million related to the sale of emission allowances under RGGI; however, annual revenue collections can be expected to vary greatly, depending on fluctuations in market conditions.

When the State formerly participated in RGGI it collected \$113.3 million in total proceeds from RGGI auctions held between December 2008 and December 2011. By extrapolating from New Jersey's collections from the early RGGI auctions and calendar year 2017 auction results for participating RGGI states, the OLS estimates that if New Jersey had participated in RGGI in

calendar year 2017 it would have collected approximately \$30.0 million. It should be noted that this estimate is based on 2017 market conditions. The supply, demand, and resulting auction prices of emission allowances, however, fluctuate. For example, the OLS notes that allowance clearing prices in the four auctions held during 2017 were \$3.00, \$2.51, \$4.35, and \$3.80 per ton. The OLS also notes that CO₂ allowances are issued by each RGGI state and, together, all the CO₂ allowances issued by all the RGGI states comprise the RGGI cap. The RGGI cap and the CO₂ allowances issued by each state are adjusted yearly.

The OLS estimates that the bill would result in the annual expenditure of approximately \$30.0 million in anticipated Global Warming Solutions Fund balances. P.L.2007, c.340 requires the deposit of emission allowance auction proceeds in the Global Warming Solutions Fund. The law also requires the expenditure of fund balances for certain environmental purposes as outlined on the previous page.

Two additional fiscal impacts would materialize if participation in RGGI were to result in higher retail electricity rates: an annual State revenue increase of up to \$2.0 million from the application of the sales and use tax rate of 6.625 percent to sales of higher-priced electricity and an indeterminate annual State and local government expenditure increase attributable to the purchase of higher-priced electricity.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

*Approved: Frank W. Haines III
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.).

Governor Murphy Takes Action on Legislation

01/13/2020

TRENTON – Today, Governor Phil Murphy signed the following bills into law:

A268 (Kean, Egan, Holley/Singer, Gopal) - "P.I.C.K. Awareness Act"; authorizes issuance of special support recovery license plates.

A790 (Andrzejczak, Land, Mosquera, Mukherji, Downey, Zwicker, Mazzeo/Connors, Singleton) - "Combat to College Act"; grants priority course registration to military service members and veterans attending public institutions of higher education.

A791 (Andrzejczak, Land, Mosquera, Danielsens, Mukherji, Downey, Zwicker/Van Drew, Brown) - Requires institution of higher education to award appropriate credit for student's military service.

A1212 (McKeon, Gusciora, Vainieri Huttel/Sweeney, Smith, Bateman, Greenstein) - Clarifies intent of P.L.2007, c.340 regarding NJ's required participation in Regional Greenhouse Gas Initiative.

A1305 (Greenwald/Rice) - Renames Mountainview Youth Correctional Facility as "William H. Fauver Youth Correctional Facility."

A1576 (Conaway, Giblin/Vitale) - Requires certain health care facilities to provide, and employees to receive, annual influenza vaccination.

A1582 (Conaway, Moriarty, Mosquera, Benson, Pinkin, Giblin, Quijano/Weinberg, Ruiz) - Establishes "Dietetics and Nutrition Licensing Act".

A1991 (Sumter, Munoz, Mukherji/Singer, Gordon) - Requires students at institutions of higher education to receive immunization for meningitis in accordance with recommendations of Advisory Committee on Immunization Practices.

A3101 (Egan Jones, Benson, Land/Singleton) - Increases minimum annual amounts for appropriation for certain arts, historical heritage, and tourism purposes from hotel and motel occupancy fee revenues.

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A3160 (Lampitt, Giblin, Murphy/Beach) - Permits cosmetology and hairstyling school clinics to charge certain fees for services rendered to general public.

A3832 (Mukherji, McKnight, Chiaravalloti/Cryan, Stack) - Authorizes municipal tax levy through public question for certain purposes; clarifies ability of local government entities to issue non-recourse bonds; appropriates \$100,000.

A4493 (Pinkin, Conaway, Vainieri Huttel/Vitale) - Authorizes expedited partner therapy, under which sexual partners or patients diagnosed with sexually transmitted disease are treated without prior clinical examination.

A4608 (Zwicker, Downey/Weinberg, Kean) - " Applied Behavior Analyst Licensing Act."

A4710 (Lampitt, Zwicker, Vainieri Huttel/Beach,Turner) - "Strengthening Gifted and Talented Education Act"; establishes school district responsibilities in educating gifted and talented students.

A5037 (Pintor Marin, Speight, Vainieri Huttel/Andrzejczak, Greenstein) - Enhances penalties related to counterfeit drugs.

A5091 (McKeon, Vainieri Huttel, Pinkin/Pou, Singleton) - Establishes "Safeguarding Against Financial Exploitation Act."

A5263 (Tully, Armato/Corrado) - Requires four-year public institution of higher education to award college credits to firefighters for certain courses completed at county fire academies.

A5277 (DeAngelo, Houghtaling/Greenstein) - Eliminates term limits for members of State Board of Examiners of Master Plumbers and State Board of Examiners of Heating, Ventilating, Air Conditioning and Refrigeration Contractors.

A5624 (Pintor Marin, Munoz, Lampitt/Weinberg, Corrado) - Requires that State employee serve as Equal Employment Opportunity and Affirmative Action officer for gubernatorial transitions.

A5625 (Pintor Marin, Munoz, Lampitt/Weinberg, Corrado) - Requires payment of expenses related to background investigations for certain gubernatorial transition positions.

A5628 (Pintor Marin, Munoz, McKnight/Weinberg, Corrado) - Requires Civil Service Commission establish standardize recordkeeping and retention requirements with regard to unclassified State employees.

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A5631 (Pintor Marin, Munoz, Pinkin/Weinberg, Corrado) - Specifies certain requirements for State agency review of complaint of workplace discrimination.

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A5632 (Pintor Marin, Munoz, Reynolds-Jackson/Weinberg) - Requires certain public employees receive additional training to manage harassment or discrimination complaints.

A5917 (Chiaravalloti, McKnight/Cunningham, Weinberg) - Expands DOH oversight of hospital finances.

A6007 (McKeon/Pou) - Requires insurers and insurance groups to submit corporate governance annual disclosure to DOBI Commissioner.

S463 (Singer, Greenstein/Dancer, Calabrese, DeAngelo) - Provides for voluntary contributions by taxpayers on gross income tax returns for Meals on Wheels.

S538 (Oroho, Stack/Wirths, Vaineri Huttie, Bucco) - Allows long term tax exemption extension for certain low-income housing.

S775 (Cunningham, Sacco/Sumter, Caride, Vainieri Huttie) - Establishes Tuition Aid Grant Study Commission to examine New Jersey's Tuition Aid Grant Program and make recommendations regarding improvements to program.

S778 (Cunningham, Kean/Quijano, Jasey, Pintor Marin) - Establishes Campus Sexual Assault Commission.

S1493 (Stack, Singleton/Quijano, Chaparro, Timberlake) - Prohibits landlords from requiring residential tenants to pay rent and other related charges through electronic funds transfer; requires landlords to provide receipts for cash payments.

S1508 (Turner, Singleton/Reynolds-Jackson, Sumter, Wimberly) - Eliminates motor vehicle surcharges following retirement of bonds and debts tied to surcharges.

S1834 (Ruiz, Cunningham/Quijano, Murphy) - Requires each public institution of higher education to post its budget on the institution's website.

S1953 (Oroho, Cruz-Perez/Space, Andrzejcack, Wirths) - Directs Dept. of Agriculture to authorize and advise food hubs.

S1966 (Sweeney, Singleton/Taliaferro) - Increases death benefit of active member of PFRS and SPRS to 50 percent of final compensation for surviving child or children.

S2527 (Ruiz, Turner/Lampitt, Quijano, Timberlake) - Requires Department of Agriculture to promote school meal programs.

S2533 (Greenstein, Cruz-Perez/Vainieri Huttie, Lopez, Timberlake) - Requires Office of Victim-Witness Advocacy to provide services to certain inmates.

S2898 (Madden, Sarlo/Murphy, Mosquera, Vainieri Huttie) - Establishes "New Jersey Fire and EMS Crisis Intervention Services" telephone hotline; provides funding for hotline through fire inspection fees and penalties.

S2980 (Ruiz/Lampitt, McKnight) - Provides that school district may not condition student enrollment in district on fact that MVC does not have name or address of parent or guardian on file.

S2982 (Ruiz/Lampitt, Mukherji, Lopez) - Clarifies that child may not be excluded from public school based on membership in protected category under "Law Against Discrimination" or immigration status.

S2998 (Ruiz/Freiman, Downey) - Requires creditors to make certain disclosures regarding collateral protection insurance to consumer debtors.

S3064 (Ruiz, Singleton/Armato, Conaway, Swain) - Establishes task force to develop State-wide plan to diversify apprenticeships.

S3066 (Ruiz, Singleton/Lampitt, Mukherji, Benson) - Creates five year High-Growth Industry Regional Apprenticeship Development Grant Pilot Program.

S3118 (Ruiz/Speight, Munoz, Tucker) - Establishes public awareness campaign to promote early conversations about advance care planning and end-of-life care.

S3124 (Stack/Mukherji) - Requires landlords to allow tenants to pay rent up to three business days after eviction order or lockout is executed and accept rent payments by any means.

S3206 (Pou, Cruz-Perez/Lopez, McKeon, Murphy) - Establishes "Unbanked and Underbanked Consumers Study Commission."

S3215 (Greenstein, Singleton/Zwicker, Mukherji, Swain) - Requires State to use 20-year time horizon and most recent Intergovernmental Panel on Climate Change Assessment Report when calculating global warming potential to measure global warming impact of greenhouse gases.

S3246 (Sarlo, Singleton, Oroho, Bucco/Benson, Bucco, Freiman) - Establishes elective pass-through entity business alternative income tax and allows corresponding refundable gross income tax and corporation business tax credit.

S3327 (Ruiz, Cruz-Perez/Lopez, Timberlake) - Establishes Commission on Latino and Hispanic Heritage in DOE.

S3348 (Weinberg/Vainieri Huttle, McKnight) - Requires home health agencies and specialty pharmacies providing services related to bleeding episodes associated with hemophilia to comply with certain minimum practice standards.

S3528 (Scutari, Codey/Vainieri Huttle, Quijano, Kennedy) - Establishes process to obtain judgement of adoption for civil union partner or spouse of natural or legal parent of child when that person is named as parent on child's birth certificate.

S3574 (Scutari, Kean, Cryan/Carter, Kennedy, Freiman) - Requires NJT to conduct feasibility study on restoring one-seat ride to Manhattan on Raritan Valley Line.

Governor Murphy conditionally vetoed the following bills:

A2431 (Benson, Jimenez, DeCroce, Eustace/Weinberg, Kean) – Requires health insurers to provide plans that limit patient cost-sharing concerning certain prescription drug coverage.

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A4978 (Timberlake, Zwicker, Vainieri Huttle/Greenstein, Cryan) – Prohibits online education services from using and disclosing certain information, engaging in targeted advertising, and requires deletion of certain information in certain circumstances.

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S3920 (Pou/Wimberly, Sumter) – Concerns provision of energy to certain manufacturing facilities by providing exemptions to certain energy related taxes.

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Governor Murphy absolute vetoed the following bill:

S4139 (Greenstein/Benson) - Makes Fiscal Year 2020 supplemental appropriation of \$250,000 to Rutgers University - New Brunswick for School of Dental Medicine - Special Care Treatment Center.

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