

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[Second Reprint]
ASSEMBLY, No. 4934

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4934 (2R).

This bill establishes the Mobility and Transportation Innovation Pilot Program (program) in the Department of Transportation (department) and appropriates \$2 million from the General Fund to support the program.

Specifically, the program provides grants to local government units and transit agencies to fund public transportation projects within Mercer County that utilize innovative technologies and strategies to enhance passenger mobility, increase access to public transportation among disadvantaged communities, and reduce greenhouse gas emissions.

Under the bill, program grants may be used to support the provision of new transportation services, the expansion of existing transportation services, or the matching requirements for an otherwise eligible project that receives federal funding. However, to qualify for a program grant, the transportation project undertaken by the local government unit or transit agency is required to: (1) enable low-income persons, including persons without access to smartphone technology, to access any transportation services made available through the project; (2) include accessibility features to accommodate the mobility needs of persons with disabilities; (3) utilize innovative technologies or strategies that have already demonstrated success in similar transportation projects; and (4) meet any other eligibility criteria established by the department.

Under the bill, local government units and transit agencies may submit applications to the Commissioner of Transportation. At a minimum, the application is required to describe the transportation project, including the total anticipated project costs, all other sources of funding, and the requested grant amount, and demonstrate that the project qualifies for the program. Thereafter, the commissioner is to award grants, on a competitive basis, in such amounts as the commissioner deems appropriate.

The bill also requires the department to submit a written report detailing the operations of the program within one year of the bill's effective date. At a minimum, the report is required to describe each

project for which a program grant was awarded, specify the amount of each grant award, and assess the performance of the program.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill may result in a State cost increase of up to \$2 million in the first year the bill is in effect. If the full \$2 million is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$2 million is exhausted.

The State expenditure increase would lead to a concurrent revenue increase for local government units within Mercer County associated with grant monies received under the Mobility and Transportation Innovation Pilot Program.