

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 3737 STATE OF NEW JERSEY 221st LEGISLATURE

DATED: FEBRUARY 14, 2025

SUMMARY

- Synopsis:** Revises requirements for certain greenhouse gas emissions monitoring and reporting activities.
- Type of Impact:** Annual increase in State expenditures.
- Agencies Affected:** Department of Environmental Protection; Board of Public Utilities.

Fiscal Impact	<u>Annual</u>
State Expenditure Increase	At least \$270,000

- The Office of Legislative Services (OLS) estimates that this bill would result in annual expenditures of at least \$270,000 by the Department of Environmental Protection for personnel costs plus an indeterminate amount of annual costs for the department to contract with a satellite provider of greenhouse gas emissions data in order to facilitate the production of emissions reports.
- The OLS lacks the informational basis to estimate the cost of the contract between the department and a provider of satellite greenhouse gas sensing technology, which will depend on contract specifications to be determined by the department.

BILL DESCRIPTION

This bill would revise the requirements for certain greenhouse gas emissions monitoring and reporting activities established in the Global Warming Response Act. Specifically, the bill would: (1) require the Department of Environmental Protection to monitor and report on indirect greenhouse gas emissions, as well as direct emissions; (2) require the department to report on the global warming potential of greenhouse gas emissions using the 20-year time horizon calculation; (3) require annual emissions reports published by the department to be produced no later than six months after the end of the calendar year in which the emissions occur; (4) require the department to monitor and report on progress towards the 2030 objective for greenhouse gas emissions; (5) allow that, when reporting global warming potentials, the department and other State agencies may

report those calculations on a 100-year time horizon, provided that they are also stated on a 20-year time horizon; (6) require studies, assessments, regulations, or incentives related to greenhouse gas emissions and developed by a State agency to include methane, nitrous oxide emissions, fugitive emissions, and leakages. Finally, the department would be required to enter into a contract with a provider of satellite greenhouse gas emissions data in order to facilitate the department's production of emissions reports.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that this bill would result in annual expenditures of at least \$270,000 by the Department of Environmental Protection for personnel costs plus an indeterminate amount of annual costs for the department to contract with a satellite provider of greenhouse gas emissions data in order to facilitate the production of emissions reports. The personnel costs reflect staff hours for two full-time equivalent employees, including fringe benefits. The OLS notes that many of the responsibilities enumerated in this bill are already being implemented by the department through the Global Warming Response Act.

The OLS lacks the informational basis to estimate the cost of the contract between the department and a provider of satellite greenhouse gas sensing technology, which will depend on contract specifications to be determined by the department. The bill allows the contract to include provisions for the satellite provider to perform data analysis, modeling, and other functions related to greenhouse gas emissions reporting, all of which would impact final cost. For the requirement to monitor and report indirect greenhouse gas emissions, the OLS notes that the bill would require the emitters to report their emissions to the department, thus most of the costs would be borne by the greenhouse gas emitters. However, the department would likely incur increased administrative costs in revising their rules and regulations and identifying significant emitters of indirect greenhouse gasses.

Section: Environment, Energy, Agriculture & Natural Resources

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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.).