

SENATE, No. 376

STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Senator NIA H. GILL

District 34 (Essex and Passaic)

Senator JAMES W. HOLZAPFEL

District 10 (Ocean)

Co-Sponsored by:

Senators Cryan, O'Scanlon and Gopal

SYNOPSIS

Prohibits NJTA from implementing automatic toll increases and increasing tolls for three years; reduces NJTA tolls.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning tolls collected by the New Jersey Turnpike
2 Authority, amending P.L.1948, c.454, and supplementing Title
3 27 of the Revised Statutes.

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

7
8 1. Section 5 of P.L.1948, c.454 (C.27:23-5) is amended to read
9 as follows:

10 5. General grant of powers. The authority shall be a body
11 corporate and politic and shall have perpetual succession and shall
12 have the following powers:

13 (a) To adopt bylaws for the regulation of its affairs and the
14 conduct of its business;

15 (b) To adopt an official seal and alter the same at pleasure;

16 (c) To maintain an office at such place or places within the State
17 as it may designate and to organize itself into such sub-departments,
18 operating divisions or units as it deems appropriate;

19 (d) To sue and be sued in its own name;

20 (e) To acquire, improve, construct, maintain, repair, manage,
21 and operate transportation projects or any part thereof at such
22 locations as shall be established by law or by the authority;

23 (f) To borrow money and issue negotiable bonds for any of its
24 corporate purposes, and to secure the same through the pledging of
25 tolls and other revenues and proceeds of such bonds, or other
26 available sources, and to refund its bonds, and to enter into any
27 credit agreement, all as provided in this act;

28 (g) In the exercise of any of its powers, by resolution to fix and
29 revise from time to time and charge and collect tolls, fees, licenses,
30 rents, concession charges and other charges for each transportation
31 project or any part thereof constructed or acquired by it. No toll
32 revenues derived from the New Jersey Turnpike or the Garden State
33 Parkway shall be used or available for any transportation project
34 other than a highway project and all transportation projects other
35 than highway projects shall be self-sustaining; provided however
36 that such toll revenues may be used to finance or support the costs
37 of non-highway transportation projects on an interim basis
38 according to such terms, with or without interest, as the authority
39 shall establish. The authority shall not authorize automatic toll
40 increases or adjustments for the use of any highway project and the
41 different parts or sections thereof;

42 (h) To establish rules and regulations for the use of any project
43 including restrictions on the type, weight and size of vehicles
44 utilizing transportation projects, and also including the power to
45 exclude from any part of a highway project any traffic other than

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 passenger automobiles if the authority finds that such part is not
2 suitable or sufficient as a highway to carry mixed traffic;

3 (i) To acquire, hold and dispose of real and personal property in
4 the exercise of its powers and the performance of its duties under
5 this act;

6 (j) To acquire in the name of the authority by purchase or
7 otherwise, on such terms and conditions and in such manner as it
8 may deem proper, or by the exercise of the power of eminent
9 domain, except as against the State of New Jersey, any land and
10 other property, which it may determine is reasonably necessary for
11 any transportation project or feeder road or for the relocation or
12 reconstruction of any highway by the authority under the provisions
13 of this act and any and all rights, title and interest in such land and
14 other property, including public lands, parks, playgrounds,
15 reservations, highways or parkways, owned by or in which the State
16 of New Jersey or any county, city, borough, town, township,
17 village, or other political subdivision of the State of New Jersey has
18 any right, title or interest, or parts thereof or rights therein and any
19 fee simple absolute or any lesser interest in private property, and
20 any fee simple absolute in, easements upon, or the benefit of
21 restrictions upon, abutting property to preserve and protect
22 transportation projects.

23 Upon the exercise of the power of eminent domain, the
24 compensation to be paid thereunder shall be ascertained and paid in
25 the manner provided in the "Eminent Domain Act of 1971,"
26 P.L.1971, c.361 (C.20:3-1 et seq.), insofar as the provisions thereof
27 are applicable and not inconsistent with the provisions contained in
28 this act. The authority may join in separate subdivisions in one
29 petition or complaint the descriptions of any number of tracts or
30 parcels of land or property to be condemned and the names of any
31 number of owners and other parties who may have an interest
32 therein and all such land or property included in said petition or
33 complaint may be condemned in a single proceeding; provided,
34 however, that separate awards be made for each tract or parcel of
35 land or property; and provided, further, that each of said tracts or
36 parcels of land or property lies wholly in or has a substantial part of
37 its value lying wholly within the same county.

38 Upon the filing of such petition or complaint or at any time
39 thereafter the authority may file with the clerk of the county in
40 which such property is located and also with the Clerk of the
41 Superior Court a declaration of taking, signed by the authority,
42 declaring that possession of one or more of the tracts or parcels of
43 land or property described in the petition or complaint is thereby
44 being taken by and for the use of the authority. The said declaration
45 of taking shall be sufficient if it sets forth: (1) a description of each
46 tract or parcel of land or property to be so taken sufficient for the
47 identification thereof, to which there may or may not be attached a
48 plan or map thereof; (2) a statement of the estate or interest in the

1 said land or property being taken; and (3) a statement of the sum of
2 money estimated by the authority by resolution to be just
3 compensation for the taking of the estate or interest in each tract or
4 parcel of land or property described in said declaration.

5 Upon the filing of the said declaration, the authority shall deposit
6 with the Clerk of the Superior Court the amount of the estimated
7 compensation stated in said declaration.

8 Upon the filing of the said declaration as aforesaid and
9 depositing with the Clerk of the Superior Court the amount of the
10 estimated compensation stated in said declaration, the authority,
11 without other process or proceedings, shall be entitled to the
12 exclusive possession and use of each tract of land or property
13 described in said declaration and may forthwith enter into and take
14 possession of said land or property, it being the intent of this
15 provision that the proceedings for compensation or any other
16 proceedings relating to the taking of said land or interest therein or
17 other property shall not delay the taking of possession thereof and
18 the use thereof by the authority for the purpose or purposes for
19 which the authority is authorized by law to acquire or condemn
20 such land or other property or interest therein.

21 The authority shall cause notice of the filing of said declaration
22 and the making of said deposit to be served upon each party in
23 interest named in the petition residing in this State, either personally
24 or by leaving a copy thereof at his residence, if known, and upon
25 each party in interest residing out of the State, by mailing a copy
26 thereof to him at his residence, if known. In the event that the
27 residence of any such party or the name of such party is unknown,
28 such notice shall be published at least once in a newspaper
29 published or circulating in the county or counties in which the land
30 is located. Upon the application of any party in interest and after
31 notice to other parties in interest, including the authority, any judge
32 of the Superior Court assigned to sit for said county may order that
33 the money deposited with the Clerk of the Superior Court or any
34 part thereof be paid forthwith to the person or persons entitled
35 thereto for or on account of the just compensation to be awarded in
36 said proceeding; provided, that each such person shall have filed
37 with the Clerk of the Superior Court a consent in writing that, in the
38 event the award in the condemnation proceeding shall be less than
39 the amount deposited, the court, after notice as herein provided and
40 hearing, may determine his liability, if any, for the return of such
41 difference or any part thereof and enter judgment therefor. If the
42 amount of the award as finally determined shall exceed the amount
43 so deposited, the person or persons to whom the award is payable
44 shall be entitled to recover from the authority the difference
45 between the amount of the deposit and the amount of the award,
46 with interest at the rate of six per centum (6%) per annum thereon
47 from the date of making the deposit. If the amount of the award
48 shall be less than the amount so deposited, the Clerk of the Superior

1 Court shall return the difference between the amount of the award
2 and the deposit to the authority, unless the amount of the deposit or
3 any part thereof shall have theretofore been distributed, in which
4 event the court, on petition of the authority and notice to all persons
5 interested in the award and affording them an opportunity to be
6 heard, shall enter judgment in favor of the authority for such
7 difference against the party or parties liable for the return thereof.
8 The authority shall cause notice of the date fixed for such hearing to
9 be served upon each party thereto residing in this State, either
10 personally or by leaving a copy thereof at his residence, if known,
11 and upon each party residing out of the State, by mailing a copy to
12 him at his residence, if known. In the event that the residence of
13 any party or the name of such party is unknown, such notice shall
14 be published at least once in a newspaper published or circulating in
15 the county or counties in which the land is located. Such service,
16 mailing or publication shall be made at least 10 days before the date
17 fixed for such hearing.

18 Whenever under the "Eminent Domain Act of 1971," P.L.1971,
19 c.361 (C.20:3-1 et seq.) the amount of the award may be paid into
20 court, payment may be made into the Superior Court and may be
21 distributed according to law;

22 (k) To designate the locations, and establish, limit and control
23 such points of ingress to and egress from each highway or
24 transportation project as may be necessary or desirable in the
25 judgment of the authority to insure the proper operation and
26 maintenance of such project, and to prohibit entrance to such
27 project from any point or points not so designated;

28 (l) To make and enter into all contracts and agreements
29 necessary or incidental to the performance of its duties and the
30 execution of its powers under this act and to enter into contracts
31 with federal, State and local governments and private entities for
32 the financing, administration, operation, management and
33 construction of transportation projects;

34 (m) To appoint such additional officers, who need not be
35 members of the authority, as the authority deems advisable, and to
36 employ consulting engineers, attorneys, accountants, construction
37 and financial experts, superintendents, managers, and such other
38 similarly situated employees and agents as may be necessary in its
39 judgment; to fix their compensation; and to promote and discharge
40 such officers, employees and agents, all without regard to the
41 provisions of Title 11A of the New Jersey Statutes;

42 (n) To receive and accept from any federal agency, subject to
43 the approval of the Governor, grants for or in aid of the acquisition
44 or construction of any transportation project or any part thereof, and
45 to receive and accept aid or contributions, from any source, of
46 either money, property, labor or other things of value, to be held,
47 used and applied only for the purposes for which such grants and
48 contributions may be made;

- 1 (o) To do all acts and things necessary or convenient to carry
2 out the powers expressly or impliedly granted in this act;
- 3 (p) Subject to any agreement with the bondholders, to invest
4 moneys of the authority not required for immediate use, including
5 proceeds from the sale of any bonds, in such obligations, securities
6 and other investments as the authority shall deem prudent;
- 7 (q) To apply for, receive and accept from any federal agency,
8 any bistate agency, or the State and any subdivision thereof, grants
9 for or in aid of the planning, acquisition, management, maintenance,
10 operation or construction of any project, and to receive and accept
11 aid or contributions from any other public or private source, of
12 either money, property, labor or other things of value, to be held,
13 used and applied only for the purposes for which those grants and
14 contributions may be made;
- 15 (r) To procure and enter into contracts for any type of insurance
16 and to indemnify against loss or damage to property from any
17 cause, including the loss of use and occupancy and business
18 interruption, death or injury of any person, employee liability, any
19 act of any member, officer, employee or servant of the authority,
20 whether part-time, compensated or uncompensated, in the
21 performance of the duties of office or employment or any other
22 insurable risk or any other losses in connection with property,
23 operations, assets or obligations in any amounts and from any
24 insurers as are deemed desirable. In addition, the authority may
25 carry its own liability insurance;
- 26 (s) To adopt regulations, pursuant to the "Administrative
27 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to provide
28 open and competitive procedures for awarding contracts for towing
29 and storage services. Towing and storage services on a highway
30 project may be provided on a rotating basis, provided that the
31 authority determines that there would be no additional cost to the
32 authority, excepting administrative costs, as a result of those
33 services being provided on a rotating basis. The regulations shall fix
34 maximum towing and storage fees, and establish objective criteria
35 to be considered in awarding a contract for towing and storage
36 services which shall include, but shall not be limited to, reliability,
37 experience, response time, acceptance of credit cards and prepaid
38 towing contracts, adequate equipment to safely handle a sufficient
39 volume of common vehicle types under a variety of traffic and
40 weather conditions, location of storage and repair facilities, security
41 of vehicles towed or stored, financial return to the authority,
42 maintenance of adequate liability insurance and appropriate
43 safeguards to protect the personal safety of customers, including
44 considerations related to the criminal background of employees.
45 The Division of Consumer Affairs in the Department of Law and
46 Public Safety shall provide, at the authority's request, a report to the
47 authority on any prospective contractor for which the division has
48 information relevant to the prospective contractor's service record,

1 subject to the provisions of the New Jersey consumer fraud act,
2 P.L.1960, c.39 (C.56:8-1 et seq.). The Division of Insurance Fraud
3 Prevention in the Department of Banking and Insurance also shall
4 provide, at the authority's request, a report to the authority on any
5 prospective contractor for which the division has information
6 relevant to the prospective contractor's service record, subject to the
7 "New Jersey Insurance Fraud Prevention Act," P.L.1983, c.320
8 (C.17:33A-1 et seq.);

9 (t) To adopt, prior to the Transfer Date and notwithstanding any
10 other provision of law to the contrary, a resolution authorizing the
11 issuance of bonds, notes or other obligations on such terms as
12 otherwise provided for in this act for the retirement by defeasance,
13 redemption, secondary market purchase, tender payment at maturity
14 or otherwise, of all of the New Jersey Highway Authority's
15 outstanding bonds, notes or other obligations, as if the Transfer
16 Date transferring to the authority the rights, duties and obligations
17 to operate, maintain and manage the Garden State Parkway had
18 already occurred; and

19 (u) To transfer, sell, dispose of, or otherwise relinquish all right,
20 title, or interest in the Garden State Arts Center, and any related or
21 auxiliary facilities, to the New Jersey Sports and Exposition
22 Authority, established by P.L.1971, c.137 (C.5:10-1 et seq.), or to
23 any other entity, according to such terms and process as the
24 authority may establish in its discretion.

25 (cf: P.L.2003, c.79, s.9)

26

27 2. (New section) Notwithstanding any law, rule, regulation,
28 resolution, or order to the contrary, any toll collected by the New
29 Jersey Turnpike Authority shall be fifty cents less than the toll rate
30 applicable on September 14, 2020 and, notwithstanding any law,
31 rule, regulation, resolution, or order to the contrary, the authority
32 shall not increase such toll rates or establish any new toll for the use
33 of any highway project, and the different parts or section thereof,
34 until after December 31, 2024.

35

36 3. This act shall take effect immediately.

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STATEMENT

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41 This bill prohibits the New Jersey Turnpike Authority (NJTA)
42 from authorizing automatic toll increases or adjustments. The bill
43 reduces all NJTA toll rates by fifty cents from the toll rate
44 applicable on September 14, 2020 and prohibits the NJTA from
45 increasing any existing toll or from establishing any new toll until
46 after December 31, 2024.

47 In May of 2020, the NJTA approved a resolution to, in part,
48 approve the NJTA's Long-Range Capital Plan and to increase tolls

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1 on the New Jersey Turnpike and Garden State Parkway. The toll
2 increases became effective on September 13, 2020. The resolution
3 also allowed the NJTA to increase tolls up to a maximum of three
4 percent per year starting on January 1, 2022. This bill prohibits
5 these annual toll increases from taking effect and reduces, by fifty
6 cents, the toll increase that took effect on September 13, 2020.