

# 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.