

[First Reprint]

SENATE, No. 2863

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED AUGUST 27, 2018

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

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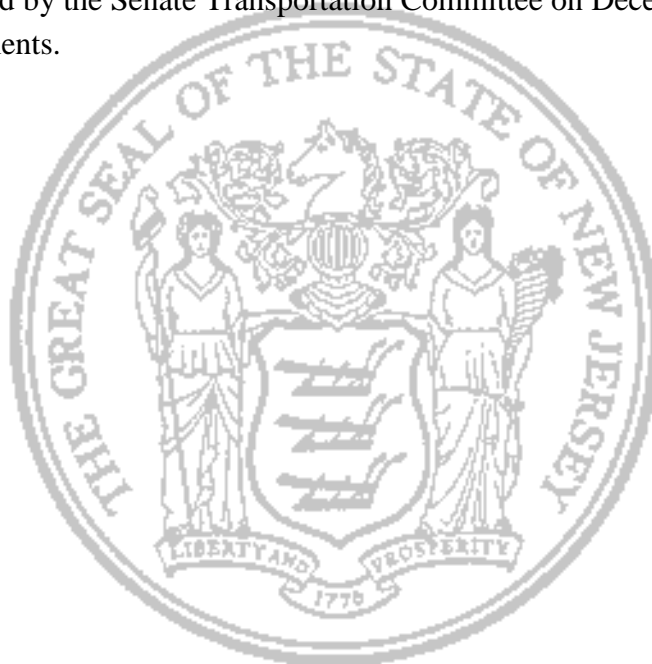
Senators Oroho and Addiego

SYNOPSIS

Revises requirements for grant recipients of Transportation Trust Fund Authority local aid program.

CURRENT VERSION OF TEXT

As reported by the Senate Transportation Committee on December 10, 2018, with amendments.



(Sponsorship Updated As Of: 3/19/2019)

1 AN ACT concerning transportation projects funded through the local
2 aid program, amending P.L.1995, c.108, 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 9 of P.L.1995, c.108 (C.27:1B-25.1) is amended to
9 read as follows:

10 9. ¹a.¹ Aid to counties and municipalities administered by the
11 department may, at the discretion of the commissioner, be disbursed
12 to any individual county or municipality on a grant basis or on a
13 cost reimbursement basis. Distribution of the portion of the grant
14 provided initially to a county or municipality may be contingent on
15 its performance in spending prior grants. Failure to award
16 construction or other approved contracts for 100 percent of a
17 county's allotment within three years of notification by the
18 department of that year's allotment, or failure to award construction
19 or other approved contracts for any percentage of a county's
20 allotment within one year ¹[of notification by the department of
21 that year's] following the date the county receives the first payment
22 of the¹ allotment, shall result in the allotment being immediately
23 rescinded or the funds returned to the department, as applicable, or
24 in the event such funds are not immediately returned, deducted by
25 the department from future allocations of aid to such county ¹,
26 except as provided in subsection b. of this section¹. Any such funds
27 may be reallocated by the commissioner on a grant basis or a cost
28 reimbursement basis to such other counties or municipalities as the
29 commissioner shall so determine. Failure to award construction or
30 other approved contracts for 100 percent of a municipality's
31 allotment within two years of notification by the department of that
32 year's allotment, or failure to award construction or other approved
33 contracts for any percentage of a municipality's allotment within
34 one year ¹[of notification by the department of that year's]
35 following the date the municipality receives the first payment of
36 the¹ allotment, shall result in that year's allocation being
37 immediately rescinded ¹, except as provided in subsection b. of this
38 section¹. Any such funds may be reallocated by the commissioner
39 on a grant basis or a cost reimbursement basis to such other
40 counties or municipalities as the commissioner shall determine.

41 ¹b. An allotment provided to a county or municipality shall be
42 rescinded, returned, or deducted from future allocations as a result
43 of a county's or municipality's failure to award construction or
44 other approved contracts for any amount of the allotment within one

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:

¹Senate STR committee amendments adopted December 10, 2018.

1 year of receiving the first payment of the allotment as provided in
2 subsection a. of this section, except that this one year requirement
3 shall be extended if a designated financial officer for the county or
4 municipality certifies to the department that the project will not
5 begin construction during the required time frame due to one of the
6 following exceptions:

7 (1) the allotment will be aggregated with future funds for the
8 purpose of completing a specific project;

9 (2) a permit needed for completion of the project has not been
10 issued due to a delay in the permitting process;

11 (3) the acquisition of an interest in State-owned land needed to
12 complete the project is delayed due to the divestment of a deed
13 restriction;

14 (4) the project requires a utility to be relocated; or

15 (5) a catastrophic event occurs and results in a declaration of a
16 state of emergency. The commissioner shall determine which
17 events are considered catastrophic for purposes of this paragraph.

18 c. A designated financial officer for a county or municipality
19 submitting a certification pursuant to subsection b. of this section
20 shall provide proof that the project meets one or more of the
21 exceptions provided in subsection b. of this section and shall certify
22 that a construction or other approved contract will be awarded
23 promptly upon resolution of the cause of the delay. The
24 commissioner shall determine the proof necessary to claim an
25 exception under subsection b. of this section; provided that:

26 (1) if a designated financial officer certifies that the allotment
27 will be aggregated with future funds for the purpose of completing a
28 specific project, the designated financial officer shall provide to the
29 department the specific project for which the allotment will be used
30 and an expected timeline for completion of the project. The
31 allotment shall not be aggregated until the department approves
32 such aggregation;

33 (2) if a designated financial officer certifies that a permit needed
34 for the completion of a project has not been issued due to a delay in
35 the permitting process, the designated financial officer shall provide
36 to the department the specific permit application number; or

37 (3) if a designated financial officer certifies that acquisition of
38 an interest in State-owned land is delaying the completion of a
39 project due to the divestment of a deed restriction, the designated
40 financial officer shall provide to the department the block and lot
41 designation of such land.¹

42 (cf: P.L.2012, c.13, s.10)

43
44 2. (New section) **¹[a.]** All appropriations or authorizations
45 made by the Legislature and allocated by the commissioner, under
46 the local aid program, pursuant to section 25 of P.L1984, c.73
47 (C.27:1B-25), shall include the following limitations on grant
48 recipients:

- 1 ¹[(1)] a.¹ local government entity grant recipients shall be
2 prohibited from using local aid program funds to support the work
3 of any local government entity's employees on any ¹construction¹
4 projects funded, in whole or in part, out of funds from the local aid
5 program;
- 6 ¹[(2)] b.¹ the construction contracts for all projects funded, in
7 whole or in part, out of funds from the local aid program shall be
8 made and awarded in accordance with the "Local Public Contracts
9 Law," P.L.1971, c.198 (C.40A:11-1 et seq.);
- 10 ¹[(3)] c.¹ for all projects funded, in whole or in part, out of
11 funds from the local aid program, each bidder on a construction
12 contract ¹valued at more than \$500,000¹ shall be prequalified by the
13 New Jersey Department of Transportation; and,
- 14 ¹[(4)] d.¹ a grant recipient under the local aid program shall be
15 permitted to expend up to 10 percent of its aid allotment in the
16 fiscal year beginning July 1, 2018 for design purposes, and up to
17 five percent of its aid allotment in the fiscal year beginning July 1,
18 2019 and every fiscal year thereafter for such purposes.
- 19
- 20 3. This act shall take effect immediately