

SENATE, No. 2600

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 22, 2020

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

SYNOPSIS

Increases transparency and accountability for NJT and independence of NJT board members; establishes Office of Customer Advocate; requires greater detail for capital program.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/25/2020)

1 AN ACT concerning reforms to the New Jersey Transit Corporation,
2 amending P.L.1979, c.150, P.L.2018, c.162, and P.L.1984, c.73,
3 supplementing Title 27 of the Revised Statutes, and repealing
4 section 16 of P.L.2018, c.162.

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

8
9 1. Section 4 of P.L.1979, c.150 (C.27:25-4) is amended to read
10 as follows:

11 4. a. There is hereby established in the Executive Branch of
12 the State Government the New Jersey Transit Corporation, a body
13 corporate and politic with corporate succession. For the purpose of
14 complying with the provisions of Article V, Section IV, paragraph 1
15 of the New Jersey Constitution, the corporation is hereby allocated
16 within the Department of Transportation, but, notwithstanding that
17 allocation, the corporation shall be independent of any supervision
18 or control by the department or by any body or officer thereof. The
19 corporation is hereby constituted as an instrumentality of the State
20 exercising public and essential governmental functions, and the
21 exercise by the corporation of the powers conferred by this act shall
22 be deemed and held to be an essential governmental function of the
23 State.

24 b. The corporation shall be governed by a board which shall
25 consist of 13 members.

26 **【11】** Eleven of the members shall be voting members and shall
27 consist of: the Commissioner of Transportation and the State
28 Treasurer, who shall be members ex officio, another member of the
29 Executive Branch to be selected by the Governor who shall also
30 serve ex officio, and eight public members who shall be appointed
31 by the Governor as follows:

32 two members, with the advice and consent of the Senate, who
33 shall each have experience as either a regular corporation motorbus
34 regular route service rider or regular corporation rail passenger
35 service or light rail service rider or have a professional background
36 in passenger rail service, freight rail management, transportation
37 capital planning, transportation and public transportation capital
38 construction, federal transportation policy, State transportation
39 policy, real estate investment or development, human resources
40 management, or transportation capital finance, one upon the
41 recommendation of the New Jersey members of the Delaware
42 Valley Regional Planning Commission and one upon the
43 recommendation of the North Jersey Transportation Planning
44 Authority;

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 two members, with the advice and consent of the Senate, one
2 who shall have experience as a regular corporation motorbus
3 regular route service rider and one who shall have experience as a
4 regular corporation rail passenger service or light rail service rider;
5 and

6 four members, who shall each have a professional background in
7 passenger rail service, freight rail management, transportation
8 capital planning, transportation and public transportation capital
9 construction, federal transportation policy, State transportation
10 policy, real estate investment or development, human resources
11 management, communication, or transportation capital finance, one
12 appointed by the Governor upon the recommendation of the
13 President of the Senate, one appointed by the Governor upon the
14 recommendation of the Speaker of the General Assembly, and two
15 appointed by the Governor, with the advice and consent of the
16 Senate.

17 All public members, except for those appointed upon the
18 recommendation of the President of the Senate and the Speaker of
19 the General Assembly, shall be appointed by the Governor with the
20 advice and consent of the Senate, and all public members shall
21 serve for four year staggered terms and until their successors are
22 appointed and qualified. No more than three of the six public
23 members appointed by the Governor with the advice and consent of
24 the Senate shall be members of the same political party. Each
25 public member may be removed from office by the Governor for
26 cause. A vacancy in the membership of the board occurring other
27 than by expiration of term shall be filled in the same manner as the
28 original appointment, but for the unexpired term only. The board
29 shall annually designate a [vice chairperson and] secretary. The
30 secretary need not be a member.

31 There shall be two non-voting members of the board, who shall
32 not be considered in determining a quorum. The non-voting
33 members shall be appointed as follows: one appointed by the
34 Governor upon the recommendation of the labor organization
35 representing the plurality of the employees of the corporation
36 involved in rail operations and one appointed by the Governor upon
37 the recommendation of the labor organization representing the
38 plurality of the employees of the corporation involved in motorbus
39 operations. Each non-voting member appointed upon
40 recommendation of a labor organization shall be appointed for a
41 term of four years, provided, however, that if at any time during the
42 term of appointment the non-voting member ceases to be affiliated
43 with the labor organization representing the plurality of the relevant
44 segment of employees of the corporation, then such labor
45 organization may, thereupon or at any time thereafter during such
46 term, recommend a new member to the Governor for appointment
47 to serve the remainder of the term. If the local bargaining unit
48 decertifies its existing union affiliation and certifies a new union,

1 the union which represents the plurality of the relevant segment of
2 employees may recommend a new member to the Governor for
3 appointment to serve the remainder of the term. The **【chairman】**
4 chairperson of the board may, at the **【chairman's】** chairperson's
5 discretion, exclude such non-voting member from attending any
6 portion of a board meeting or any other meeting held for the
7 purpose of discussing negotiations with labor organizations,
8 pending litigation involving the labor organization, the
9 investigation, evaluation, or discipline of an employee of the
10 corporation, or matters concerning private entities engaged in the
11 provision of motorbus regular route service, paratransit service, or
12 motorbus charter service that would otherwise not be considered
13 public information. Each non-voting member appointed upon
14 recommendation of a labor organization may be removed by the
15 Governor for cause.

16 For the purposes of this subsection:

17 "experience as a regular corporation motorbus regular route
18 service rider" includes any rider who is a regular corporation
19 motorbus regular route service rider at the time of the member's
20 appointment or reappointment and any rider who has been a regular
21 corporation motorbus regular route service rider in three of the five
22 years preceding the member's appointment or reappointment.

23 "experience as a regular corporation rail passenger service or
24 light rail service rider" includes any rider who is a regular
25 corporation rail passenger service or light rail service rider at the
26 time of the member's appointment or reappointment and any rider
27 who has been a regular corporation rail passenger service or light
28 rail service rider in three of the five years preceding the member's
29 appointment or reappointment.

30 c. Board members other than those serving ex officio shall
31 serve without compensation, but members shall be reimbursed for
32 actual expenses necessarily incurred in the performance of their
33 duties.

34 d. The **【Commissioner of Transportation shall serve as】** board
35 shall elect a chairperson of the board **【,】** from among its members
36 that are authorized to vote. The chairperson shall be elected by the
37 affirmative vote of a majority of the appointed members of the
38 board that are authorized to vote and shall serve for a term of two
39 years. If the board fails to elect a chairperson, the vice chairperson
40 shall serve as chairperson until the election of a chairperson. If the
41 board fails to elect a chairperson and vice chairperson, the longest
42 tenured public member of the board that is authorized to vote shall
43 serve as chairperson until the election of a chairperson. If more
44 than one member shares the longest tenure, the acting chairperson
45 shall be decided by random selection from among those members
46 with the longest tenure and shall serve as chairperson until the
47 election of a chairperson. The chairperson shall chair board
48 meetings, and shall have responsibility for the scheduling and

1 convening of all meetings of the board. The board shall elect a vice
2 chairperson of the board from among its members that are
3 authorized to vote. The vice chairperson shall be elected by the
4 affirmative vote of a majority of the appointed members of the
5 board that are authorized to vote and shall serve for a term of two
6 years. In the absence of the chairperson, the vice chairperson shall
7 chair the board meeting. Each ex officio member of the board may
8 designate two employees of the ex officio member's department or
9 agency, one of whom may represent the ex officio member at
10 meetings of the board, except that any such designee shall not serve
11 as chairperson of the board or otherwise preside over or chair any
12 board meeting. A designee may lawfully vote and otherwise act on
13 behalf of the member for whom the person constitutes the designee.
14 Any such designation shall be in writing delivered to the board and
15 shall continue in effect until revoked or amended by writing
16 delivered to the board.

17 e. The powers of the corporation shall be vested in the voting
18 members of the board thereof and a majority of the appointed
19 members of the board who are authorized to vote shall constitute a
20 quorum at any meeting thereof. Actions may be taken and motions
21 and resolutions adopted by the board at any meeting thereof by the
22 affirmative vote of a majority of the appointed members who are
23 authorized to vote. No vacancy in the membership of the board
24 shall impair the right of a quorum to exercise all the rights and
25 perform all the duties of the board.

26 f. A true copy of the minutes of every meeting of the board
27 shall be delivered forthwith, by and under the certification of the
28 secretary thereof, to the Governor. No action taken at such meeting
29 by the board shall have force or effect until approved by the
30 Governor or until 10 days after such copy of the minutes shall have
31 been delivered. If, in said 10-day period, the Governor returns such
32 copy of the minutes with veto of any action taken by the board or
33 any member thereof at such meeting, such action shall be null and
34 of no effect. The Governor may approve all or part of the action
35 taken at such meeting prior to the expiration of the said 10-day
36 period.

37 g. (1) The board meetings shall be subject to the provisions of
38 the "Senator Byron M. Baer Open Public Meetings Act," P.L.1975,
39 c.231 (C.10:4-6 et seq.), except that any agenda related to a meeting
40 of the corporation's board of directors shall be provided to the
41 public at least five calendar days prior to the meeting and except
42 that one-half of the total number of meetings of the board shall be
43 held in the evening after 6:00 p.m. Agendas may be revised up to
44 48 hours prior to the meeting in the case of emergencies requiring
45 immediate action. Each notice of a board meeting and each agenda
46 for a board meeting shall be published on the corporation's website.
47 Board meetings shall be viewable on the corporation's website in
48 real time and shall be archived and made available to the public for

1 subsequent viewing on the corporation's website. Meeting minutes
2 shall be archived and published on the corporation's website.

3 (2) The board shall hold a minimum of 10 public board
4 meetings per year. Public hearings held pursuant to subsection d. of
5 section 8 of P.L.1979, c.150 (C.27:25-8) shall not be considered
6 public board meetings for the purposes of this subsection.

7 (3) Notwithstanding the requirements of this subsection, a board
8 member may address the board at any public meeting concerning an
9 issue or item that the board member believes is in the public interest
10 or board's interest to discuss. After a preliminary discussion where
11 each board member is afforded an opportunity to discuss the issue
12 or item, the board, upon motion of a board member, may vote to
13 add the issue or item to the agenda of a subsequent board meeting
14 or to take other appropriate action. In lieu of a vote by the board,
15 the chairperson may add the issue or item to the agenda of a
16 subsequent board meeting.

17 (cf: P.L.2018, c.162, s.1)

18

19 2. Section 2 of P.L.2018, c.162 (C.27:25-4.1) is amended to
20 read as follows:

21 2. a. The board of directors of the corporation shall:

22 (1) Execute oversight of the corporation's executive director and
23 other management in the effective and ethical management of the
24 corporation, including but not limited to review and approval of any
25 fare changes and the elimination or substantial curtailment of
26 motorbus regular route service, rail passenger service, or light rail
27 service;

28 (2) Understand, review, and monitor the implementation of
29 fundamental financial and management controls and operational
30 decisions of the corporation, including but not limited to review and
31 approval of any fare changes **[and]** , the elimination or substantial
32 curtailment of motorbus regular route service, rail passenger
33 service, or light rail service, and any major planning document,
34 including but not limited to any strategic plan, capital plan,
35 unconstrained capital plan, or any other planning document that
36 purports to portray the corporation's vision for the future;

37 (3) Establish policies regarding the payment of salary,
38 compensation, and reimbursements to, and establish rules for the
39 time and attendance of, the executive director and management,
40 including the formal direct hiring of the Executive Director,
41 Director of the Office of Customer Advocate, and Auditor General
42 and the formal approval of any candidate to be hired to serve in a
43 Senior Vice President or Chief role including but not limited to the
44 following positions or subject matter: Surface Transit and General
45 Manager of Bus Operations; Chief Financial Officer and Treasurer;
46 Chief of Police and Office of Emergency Management; General
47 Manager of Rail Operations; Capital Programs; Communications
48 and Customer Experience; Chief Administrative Officer;

1 Regulatory and Government Affairs; Chief of Staff; and Chief
2 Safety Officer, provided that nothing in P.L.2018, c.162 (C.27:25-
3 4.1 et al.) shall be construed to apply civil service rules and
4 regulations to the corporation;

5 (4) Adopt a code of ethics, in consultation with the chief ethics
6 officer, applicable to each board member, officer, and employee
7 that, at a minimum, includes the applicable standards established by
8 State law;

9 (5) Require that the corporation establish written policies and
10 procedures on personnel including policies protecting employees
11 from retaliation for disclosing information concerning acts of
12 wrongdoing, misconduct, malfeasance, or other inappropriate
13 behavior by an employee of the corporation;

14 (6) Adopt a policy that provides guidelines for when it is
15 appropriate for the chief ethics officer to forward the results and
16 findings of a preliminary investigation conducted by the chief ethics
17 officer to the State Ethics Commission, Office of the Attorney
18 General, county prosecutor's office, or any other appropriate agency
19 for further investigation or action;

20 (7) Adopt a defense and indemnification policy and disclose
21 such policy to any and all prospective board members; and

22 (8) **【Adopt】** Develop and adopt corporate bylaws, which shall
23 be reviewed and updated within 180 days of the effective date of
24 P.L. , c. (C.) (pending before the Legislature as this bill) to
25 ensure consistency with P.L.1979, c.150 (C.27:25-1 et al.),
26 P.L.2018, c.162 (C.27:25-4.1 et al.), and P.L. , c. (C.)
27 (pending before the Legislature as this bill) and at least once every
28 five years thereafter. The board shall ensure that the bylaws are
29 made available to the public upon request and are published on the
30 corporation's website.

31 b. (1) The members of the board shall perform each of their
32 duties as board members, including but not limited to those imposed
33 by this section, in good faith and with that degree of diligence, care,
34 and skill which an ordinarily prudent person in like position would
35 use under similar circumstances, and may take into consideration
36 the views and policies of any elected official or body, or other
37 person and ultimately apply independent judgment in the best
38 interest of the corporation, its mission, and the public.

39 (2) At the time that a board member takes and subscribes the
40 board member's oath of office, or within 60 days after the effective
41 date of P.L.2018, c.162 (C.27:25-4.1 et al.) if the board member has
42 already taken and subscribed the board member's oath of office, the
43 board member shall execute an acknowledgement, in a form
44 developed by the corporation, in which the board member shall, at a
45 minimum:

46 (a) acknowledge that the board member understands that a
47 board member has an obligation to perform duties and
48 responsibilities to the best of the board member's abilities, in good

1 faith and with proper diligence and care, consistent with the
2 enabling compact, mission, and by-laws of the corporation and the
3 applicable laws of this State; and that the duty to the corporation is
4 derived from and governed by its mission;

5 (b) acknowledge that the board member understands the board
6 member's duty of loyalty and care to the corporation and
7 commitment to the corporation's mission and the public interest;
8 and the board member's obligation to act in the best interests of the
9 corporation and the people whom the corporation serves;

10 (c) agree that a board member has an obligation to become
11 knowledgeable about the mission, purpose, functions,
12 responsibilities, and statutory duties of the corporation and, when
13 necessary, to make reasonable inquiry of management and others
14 with knowledge and expertise so as to inform the board member's
15 decisions;

16 (d) agree to exercise independent judgment on all matters before
17 the board;

18 (e) agree not to divulge confidential discussions and
19 confidential matters that come before the board for consideration or
20 action;

21 (f) agree to disclose to the board and the chief ethics officer any
22 conflicts, or the appearance of a conflict, of a personal, financial,
23 ethical, or professional nature that could inhibit the board member
24 from performing the board member's duties in good faith and with
25 due diligence and care; and

26 (g) certify that the board member does not have any interest in,
27 financial or otherwise, direct or indirect, or engage in any business
28 or transaction or professional activity or incur any obligation of any
29 nature, which is in substantial conflict with the proper discharge of
30 the board member's duties in the public interest.

31 c. Individuals appointed to the board of directors shall
32 participate in training regarding their legal, financial, and ethical
33 responsibilities as directors of the corporation within six months of
34 appointment to the board. Board members shall participate in
35 continuing training as may be required to remain informed of best
36 practices and regulatory, legal, financial, and ethical responsibilities
37 and standards.

38 d. No board member, including the chairperson, shall serve as
39 the corporation's executive director, chief financial officer, or hold
40 any senior management position while serving as a member of the
41 board.

42 e. (1) The board of directors shall establish an audit
43 committee, to be comprised of not less than three members, who
44 shall possess the necessary skills to understand the duties and
45 functions of the committee, including having sufficient knowledge
46 in the areas of finance and accounting. The audit committee shall
47 meet on at least a quarterly basis.

1 (2) The audit committee shall review and monitor: the reliability
2 of financial statements and the adequacy of financial controls; the
3 results of any audit; and compliance with legal, regulatory, and
4 ethical requirements. The audit committee shall have responsibility
5 for supervising and reviewing the work of the internal audit
6 department, which has responsibility for investigating fraud, waste
7 and abuse within and affecting the agency. In furtherance of this
8 purpose, the corporation shall make available to the board, in a
9 centralized database that is easily accessible to all board members,
10 any documents regarding an audit, including internal audit
11 documents, memoranda, and reports whether in draft or final form.
12 In the absence of such a centralized database, the corporation shall
13 make any such document available to a board member upon request
14 of the board member.

15 f. (1) The board of directors shall establish an administration
16 committee to be comprised of not less than three independent
17 members, who shall possess the necessary skills to understand the
18 duties and functions of the committee; provided, however, that in
19 the event that a board has less than three independent members, the
20 board may appoint non-independent members to the committee,
21 provided that the independent members shall constitute a majority
22 of the members of the committee. The administration committee
23 shall meet on at least a quarterly basis.

24 (2) The administration committee shall: advise the board of
25 directors on financial matters, including, but not limited to,
26 proposed budgets including the capital program, major expenditures
27 of the corporation, and all financial policies; receive a bi-monthly
28 report from the head of the Office of Equal Opportunity and
29 Affirmative Action, or any successor office, which shall also be
30 provided to the executive director, regarding the activities of that
31 office, including a summary of the nature and number of the
32 complaints involving discrimination or harassment received by that
33 office and any actions taken by that office in response to those
34 complaints; receive a bi-monthly report from the director of the
35 Human Resources Office, or any successor office, which shall also
36 be provided to the executive director, regarding the activities of that
37 office, including a summary of job vacancies, job postings, new
38 employees, reclassification of job titles, retirements, terminations,
39 disciplinary actions, and any other personnel decisions; and meet at
40 least annually with representatives of the labor organizations
41 representing employees of the corporation. Reports shall not
42 include any personally identifiable information or personnel
43 information protected under state or federal law.

44 (3) Senior management of the corporation shall collaborate with
45 the administration committee on the development of any fiscal item,
46 including but not limited to proposed budgets including the capital
47 program, major expenditures of the corporation, and all financial
48 policies. Until a fiscal item has been presented to the

1 administration committee, the corporation shall not submit the
2 fiscal item to any other department of State government or a
3 municipal planning organization as part of the budget process, shall
4 not take any internal action to officially adopt the item such as the
5 enactment of an agency wide or departmental policy or procedure,
6 and shall not provide any public statements or press releases
7 treating the fiscal item as though it has been enacted or adopted.
8 Once a fiscal item has been presented before the administration
9 committee, if the members of the committee find that the fiscal item
10 should not advance or needs to be modified, the board may vote, at
11 a subsequent board meeting, to require the corporation to take such
12 action as recommended by the administration committee.

13 g. (1) The board of directors shall establish an operations and
14 customer service committee, to be comprised of not less than three
15 independent members, who shall possess the necessary skills to
16 understand the duties and functions of the committee. The
17 operations and customer service committee shall meet at least on a
18 quarterly basis.

19 (2) The operations and customer service committee shall: advise
20 the board of directors on day to day operations and maintenance;
21 review vital statistics including on time performance, cost of
22 service, and service rationalization; review the corporation's service
23 plan and service standards; oversee fleet management plans,
24 strategic planning, and the corporation's business plan; and oversee
25 the corporation's customer service plan and statistics.

26 h. (1) The board of directors shall establish a capital planning
27 and privatization committee, to be comprised of not less than three
28 independent members, who shall possess the necessary skills to
29 understand the duties and functions of the committee. The capital
30 planning and privatization committee shall meet on at least a
31 quarterly basis.

32 (2) The capital planning and privatization committee shall:
33 review and monitor the status of capital projects including the
34 annual element of the corporation's five year capital program;
35 review the rationale for the capital program, its budgets and
36 schedule, and address fast tracking key projects; oversee the
37 development of fare policy and technology; and review real estate
38 transactions and route and service issues that affect private carriers
39 or other properties with which the corporation does business.

40 i. For the purposes of this section, an "independent member" is
41 one who:

42 (1) is not, and in the past two years has not been, employed by
43 the corporation or an affiliate in an executive capacity;

44 (2) is not, and in the past two years has not been, employed by
45 an entity that received remuneration valued at more than \$15,000
46 for goods and services provided to the corporation or received any
47 other form of financial assistance valued at more than \$15,000 from
48 the corporation;

1 (3) is not a relative of an executive officer or employee in an
2 executive position of the corporation or an affiliate; and

3 (4) is not, and in the past two years has not been, a lobbyist
4 registered under a state or local law and paid by a client to influence
5 the management decisions, contract awards, rate determinations, or
6 any other similar actions of the corporation or an affiliate.

7 j. Notwithstanding the provisions of any other law to the
8 contrary, the board shall not directly or indirectly, including
9 through any subsidiary, extend or maintain credit, arrange for the
10 extension of credit, or renew an extension of credit, in the form of a
11 personal loan to or for any officer, board member, or employee, or
12 equivalent thereof, of the corporation.

13 k. In addition to any functions and responsibilities delegated
14 thereto, each committee of the board shall serve as an apparatus for
15 members of the committee to obtain information and to engage in
16 policy discussions within the purview of the committee. Upon the
17 request of a committee member, any officer or employee of the
18 corporation shall provide information or documents to the
19 committee at a time and in a form and manner determined by the
20 committee. The chairperson of the North Jersey Passenger
21 Advisory Committee or a designee, the chairperson of the South
22 Jersey Passenger Advisory Committee or a designee, and the
23 Director of the Office of Customer Advocate or a designee may
24 attend any committee meeting for the purpose of providing
25 pertinent information or commentary to the members of the
26 committee.

27 l. Notwithstanding the allocation of individual board members
28 to the committees established by the board of directors and the
29 delegation of functions and responsibilities to those committees, the
30 function and responsibility of each committee shall remain a
31 function and responsibility of the board of directors and each
32 member thereof. The board of directors, and each member thereof,
33 shall remain authorized and obligated to exercise the functions and
34 fulfill the responsibilities of each committee. Each board member
35 in fulfilling these responsibilities shall apply independent judgment
36 in the best interest of the corporation, its mission, and the public.

37 (cf: P.L.2018, c.162, s.2)

38
39 3. Section 3 of P.L.2018, c.162 (C.27:25-4.2) is amended to
40 read as follows:

41 3. a. (1) There is hereby established the North Jersey
42 Passenger Advisory Committee within the New Jersey Transit
43 Corporation for the purpose of providing advice, input, and
44 guidance to the corporation and the corporation's board of directors
45 from customers of the corporation who reside in North Jersey. The
46 committee shall: provide advice, input, and guidance to the New
47 Jersey Transit Corporation **[and]** , its board of directors and
48 committees thereof, and the Office of Customer Advocate on issues

1 affecting the corporation and customers of the corporation,
2 particularly those issues that affect services provided in the northern
3 part of the State; review proposals to be considered before the
4 corporation's board of directors concerning fare increases,
5 curtailment of services, and expansion of services; and review items
6 listed on the agenda for meetings of the corporation's board of
7 directors that would increase fares, curtail services, or expand
8 services and provide written feedback to the board and the Office of
9 Customer Advocate prior to the board meeting concerning those
10 agenda items.

11 (2) A member of the committee shall be required to: reside in
12 one of the following counties: Bergen, Essex, Hudson, Hunterdon,
13 Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset,
14 Sussex, Union, or Warren; and either be a regular corporation
15 motorbus regular route service rider or a regular corporation rail
16 passenger service or light rail service rider; and primarily use
17 corporation motorbus regular route service, rail passenger service,
18 or light rail service in the northern part of the State, or have
19 substantial public transportation experience.

20 (3) The committee shall consist of 15 voting members, who
21 shall serve a term of four years and without compensation, to be
22 appointed as follows:

23 three members to be appointed by the board of the North Jersey
24 Transportation Planning Authority;

25 **【six】** five members to be appointed by the Governor;

26 one member to be appointed by the Director of the Office of
27 Customer Advocate;

28 one member to be appointed by the Speaker of the General
29 Assembly;

30 one member to be appointed by the President of the Senate;

31 one member to be appointed by the Minority Leader of the
32 General Assembly;

33 one member to be appointed by the Minority Leader of the
34 Senate;

35 one member to be appointed by a nonprofit entity, which shall be
36 selected jointly by the Speaker of the General Assembly and the
37 President of the Senate, with a history of rider advocacy,
38 encouraging smart growth, and advocating for investment in public
39 transportation and transit-oriented development initiatives; and

40 one member to be appointed by a nonprofit entity, which shall be
41 selected jointly by the Speaker of the General Assembly and the
42 President of the Senate, that serves as a consumer rail passenger
43 organization in the State.

44 (4) The powers of the committee shall be vested in the members
45 of the committee and a majority of the appointed members shall
46 constitute a quorum at any meeting thereof. Actions may be taken
47 and motions and resolutions adopted by the committee at any
48 meeting thereof by the affirmative vote of a majority of the

1 appointed members. The seat of any member who fails to maintain
2 the requirements established in paragraph (2) of this subsection
3 shall be deemed vacant. A vacancy in the membership of the
4 committee shall not impair the right of a quorum to exercise all
5 rights and perform all duties of the committee. Any vacancy in the
6 membership of the committee shall be filled in the same manner as
7 the original appointment and for the remainder of the unexpired
8 term.

9 (5) The committee shall elect from among its members a
10 chairperson and vice chairperson. The chairperson shall preside
11 over meetings of the committee. In the absence of the chairperson,
12 the vice chairperson shall preside over meetings of the committee.
13 The chairperson shall have the responsibility of scheduling and
14 convening all meetings of the committee. The committee shall
15 designate an individual to serve as secretary to the committee who
16 need not be a member of the committee.

17 b. (1) There is hereby established the South Jersey Passenger
18 Advisory Committee within the New Jersey Transit Corporation for
19 the purpose of providing advice, input, and guidance to the
20 corporation and the corporation's board of directors from customers
21 of the corporation who reside in South Jersey. The committee shall:
22 provide advice, input, and guidance to the New Jersey Transit
23 Corporation **and** , its board of directors and committees thereof,
24 and the Office of Customer Advocate on issues affecting the
25 corporation and customers of the corporation, particularly those
26 issues that affect services provided in the southern part of the State;
27 review proposals to be considered before the corporation's board of
28 directors concerning fare increases, curtailment of services, and
29 expansion of services; and review items listed on the agenda for
30 meetings of the corporation's board of directors that would increase
31 fares, curtail services, or expand services and provide written
32 feedback to the board and the Office of Customer Advocate prior to
33 the board meeting concerning those agenda items.

34 (2) A member of the committee shall be required to: reside in
35 one of the following counties: Atlantic, Burlington, Camden, Cape
36 May, Cumberland, Gloucester, Mercer, Ocean, or Salem; and either
37 be a regular corporation motorbus regular route service rider or a
38 regular corporation rail passenger service or light rail service rider;
39 and primarily use corporation motorbus regular route service, rail
40 passenger service, or light rail service in the southern part of the
41 State, or have substantial public transportation experience.

42 (3) The committee shall consist of 15 voting members, who
43 shall serve a term of four years and without compensation, to be
44 appointed as follows:

45 two members to be appointed by the board members of the
46 Delaware Valley Regional Planning Commission from New Jersey;

47 **[six]** five members to be appointed by the Governor;

1 one member to be appointed by the Director of the Office of
2 Customer Advocate;

3 one member to be appointed by the Speaker of the General
4 Assembly;

5 one member to be appointed by the President of the Senate;

6 one member to be appointed by the Minority Leader of the
7 General Assembly;

8 one member to be appointed by the Minority Leader of the
9 Senate;

10 one member to be appointed by the board of the South Jersey
11 Transportation Planning Organization;

12 one member to be appointed by a nonprofit transportation
13 management association, which shall be selected jointly by the
14 Speaker of the General Assembly and the President of the Senate,
15 that provides transportation-related services in the southern portion
16 of the State; and

17 one member to be appointed by a nonprofit entity, which shall be
18 selected jointly by the Speaker of the General Assembly and the
19 President of the Senate, that serves as a consumer rail passenger
20 organization in the State.

21 (4) The powers of the committee shall be vested in the members
22 of the committee and a majority of the appointed members shall
23 constitute a quorum at any meeting thereof. Actions may be taken
24 and motions and resolutions adopted by the committee at any
25 meeting thereof by the affirmative vote of a majority of the
26 appointed members. The seat of any member who fails to maintain
27 the requirements established in paragraph (2) of this subsection
28 shall be deemed vacant. A vacancy in the membership of the
29 committee shall not impair the right of a quorum to exercise all
30 rights and perform all duties of the committee. Any vacancy in the
31 membership of the committee shall be filled in the same manner as
32 the original appointment and for the remainder of the unexpired
33 term.

34 (5) The committee shall elect from among its members a
35 chairperson and vice chairperson. The chairperson shall preside
36 over meetings of the committee. In the absence of the chairperson,
37 the vice chairperson shall preside over meetings of the committee.
38 The chairperson shall have the responsibility of scheduling and
39 convening all meetings of the committee. The committee shall
40 designate an individual to serve as secretary to the committee who
41 need not be a member of the committee.

42 c. A person serving as a member of the South Jersey Passenger
43 Advisory Committee shall not be eligible to simultaneously serve as
44 a member of the North Jersey Passenger Advisory Committee. A
45 person serving as a member of the North Jersey Passenger Advisory
46 Committee shall not be eligible to simultaneously serve as a
47 member of the South Jersey Passenger Advisory Committee.

1 d. One public member from the corporation's board of directors
2 shall serve as a liaison to each advisory committee.

3 (cf: P.L.2018, c.162, s.3)

4
5 4. Section 7 of P.L.2018, c.162 (C.27:25-5.25) is amended to
6 read as follows:

7 7. a. **【The corporation, at】** Upon the written request of the
8 chairperson of any standing legislative committee, as approved by
9 the Speaker of the General Assembly or the President of the Senate,
10 as appropriate, a board member, officer, or employee of the
11 corporation shall be required to appear before that committee, at a
12 date, time, and location determined by the chairperson of the
13 committee, to present testimony and 【provide】 produce books,
14 papers, documents, or other objects on any topic or subject
15 requested by the committee and to respond to any questions by
16 members of the committee.

17 b. **【Unless otherwise agreed to by the chairperson of the**
18 **committee, the corporation shall, at a minimum, be represented by**
19 **the chairperson of the board of directors, the executive director, and**
20 **the chief financial officer to present testimony, provide documents,**
21 **or respond to questions at any appearance required pursuant to this**
22 **section】** If a board member, officer, or employee of the corporation
23 fails to appear, present testimony, or produce books, papers,
24 documents, or other objects as requested by the committee, the
25 chairperson of the committee may apply ex parte to the Superior
26 Court to compel such person to testify or to produce books, papers,
27 documents, or other objects in accordance with the chairperson's
28 request, the application to be made by motion supported by
29 affidavit. The court may order the person to appear before the
30 committee and proceed as may be directed in the order.

31 c. Failure of a person to obey a request of a committee
32 chairperson pursuant to this section, and failure to testify, to answer
33 a proper question, or to produce books, papers, documents, or other
34 objects, shall be punishable by the court in the same manner as like
35 failure is punishable in an action pending in the court. The matter
36 shall be brought before the court by motion supported by affidavit
37 stating the circumstances. Upon the motion, the court may issue an
38 order to show cause, returnable in not less than two or more than 10
39 days, requiring the person to show cause before the court why
40 punishment should not be ordered; or the court may issue an
41 attachment. If the court determines that the failure above
42 mentioned was without justification, it may punish as for a
43 contempt of court.

44 (cf: P.L.2018, c.162, s.7)

45
46 5. (New section) a. Before adopting and implementing its
47 annual capital program, the corporation shall hold at least two
48 public hearings on the contents of the capital program. At least one

1 of the two hearings shall take place on a State working day. One
2 hearing shall take place for at least two hours between the hours of
3 9:00 a.m. and 5:00 p.m., and the other hearing shall take place for at
4 least two hours between the hours of 6:00 p.m. and 10:00 p.m.
5 Each public hearing required pursuant to this subsection shall be
6 attended by at least two members of the corporation's board of
7 directors. Proper notice of the hearing shall be given by the
8 corporation at least 15 days prior to the hearing. In addition to the
9 public hearing, the corporation shall post, in prominent places on
10 the corporation's website and railroad cars and buses, a postal
11 mailing address and electronic mailing address where members of
12 the public may provide written comments to the corporation
13 regarding the capital program. The corporation shall prepare and
14 publish a written response concerning any issue or concern raised
15 by a member of the public at any public hearing or in any written
16 comment provided pursuant to this subsection.

17 b. The corporation shall hold at least two public hearings per
18 year on the corporation's strategic plan, capital program priorities,
19 and vision for the future of the corporation. At least one of the two
20 hearings shall take place on a State working day. One hearing shall
21 take place for at least two hours between the hours of 9:00 a.m. and
22 5:00 p.m., and the other hearing shall take place for at least two
23 hours between the hours of 6:00 p.m. and 10:00 p.m. The second
24 hearing shall not be held within 30 days of the first meeting. Each
25 public hearing required pursuant to this subsection shall be attended
26 by at least two members of the corporation's board of directors.
27 Proper notice of the hearing shall be given by the corporation at
28 least 15 days prior to the hearing. In addition to the public hearing,
29 the corporation shall post, in prominent places on the corporation's
30 website and railroad cars and buses, a postal mailing address and
31 electronic mailing address where members of the public may
32 provide written comments to the corporation regarding the
33 corporation's strategic plan, capital program priorities, and vision
34 for the future of the corporation. The corporation shall prepare and
35 publish a written response concerning any issue or concern raised
36 by a member of the public at any public hearing or in any written
37 comment provided pursuant to this subsection.

38 c. In any circumstance where board action is required
39 concerning the subject matter of a public hearing, the board shall
40 not take final action concerning the subject matter until at least
41 seven days following the conclusion of the last public hearing.

42 d. The corporation may hold a public hearing that
43 simultaneously satisfies the requirements of one of the public
44 hearings required pursuant to subsection a. of this section,
45 subsection b. of this section, paragraph (1) of subsection d. of
46 section 8 of P.L.1979, c.150, (C.27:25-8); and paragraph (2) of
47 subsection d. of section 8 of P.L.1979, c.150 (C.27:25-8), or a
48 combination thereof, provided that the hearing meets all of the

1 statutory requirements for the respective hearing if held on its own
2 and that members of the public are afforded at least three minutes to
3 speak for each public hearing requirement being satisfied.

4
5 6. (New section) a. There is hereby established in the
6 Department of Transportation the Office of Customer Advocate to
7 be under the supervision of the Director of the Office of Customer
8 Advocate. For the purposes of complying with the provisions of
9 Article V, Section IV, paragraph 1 of the New Jersey Constitution,
10 the Office of Customer Advocate is hereby allocated to the
11 Department of Transportation but, notwithstanding this allocation,
12 the office shall be independent of any supervision or control by the
13 department, provided, however, that the director of the office shall
14 be supervised by the New Jersey Transit Corporation board of
15 directors.

16 b. The Director of the Office of Customer Advocate shall be
17 appointed by the New Jersey Transit Corporation board of directors
18 and shall report directly to the board. Except for supervision by the
19 board of directors, the director of the office shall not be subject to
20 any supervision or control by the executive director of the
21 corporation or any other staff of the corporation. For purposes of
22 office work space, the director of the office and any subordinate
23 staff shall be housed with the corporation's Auditor General and
24 any other internal audit staff.

25 c. When exceptional circumstances arise, the Director of the
26 Office of Customer Advocate, with the approval of the State
27 Treasurer, may on a temporary basis retain such expert assistants as
28 are necessary to protect the public interest, pursuant to a reasonable
29 fee schedule established in advance by the State Treasurer. For the
30 purposes of this subsection, "exceptional circumstances" includes
31 but is not limited to fare increases, substantial curtailments of
32 service, significant expansions of service, and major operating or
33 capital expenditures.

34 d. The purposes of the Office of Customer Advocate shall be
35 to:

36 (1) provide information and independent analysis to the board of
37 directors on the impact that board and corporation actions are
38 having, or are expected to have, on the corporation's customers;

39 (2) provide genuine customer input and feedback to the board of
40 directors, including relaying the needs and concerns of customers to
41 the board of directors; and

42 (3) represent the best interest of the corporation's customers as
43 determined by the Director of the Office of Customer Advocate.

44 e. The Office of Customer Advocate shall have the authority to
45 conduct investigations, initiate studies, conduct research, present
46 comments and testimony before the board of directors, legislative
47 committees, and other governmental bodies, and prepare and issue
48 reports. The Office of Customer Advocate shall arrange for

1 meetings with New Jersey Transit Corporation passengers, which
2 shall occur at least on a monthly basis, for the purpose of: relaying
3 the concerns and needs of passengers to the board of directors and,
4 when the director of the office deems it appropriate, to the
5 executive management team of the corporation; and providing
6 information to passengers on major board or corporation actions of
7 which the director has knowledge. In addition to monthly meetings,
8 the director of the office may undertake any other action that the
9 director deems to be in furtherance of the purposes of the Office of
10 Customer Advocate. The Office of Customer Advocate shall also
11 have the authority to represent the public interest as follows:

12 (1) for any proposed fare increase, the corporation, upon
13 publication of a proposal to increase fares, shall make available
14 immediately to the Office of Customer Advocate all information
15 and documents concerning the proposal so that the office may
16 review those documents and prepare an analysis of the proposed
17 fare increase, to be reported to the board of directors, including an
18 independent determination of the need for such an increase and the
19 anticipated impact of the increase on customers;

20 (2) for any proposed substantial curtailment of service, the
21 corporation, upon publication of a proposal to substantially curtail
22 service, shall make available immediately to the Office of Customer
23 Advocate all information and documents concerning the proposal so
24 that the office may review those documents and prepare an analysis
25 of the proposed substantial curtailment of service, to be reported to
26 the board of directors, including an independent determination of
27 the need for such a curtailment and the anticipated impact of the
28 curtailment on customers;

29 (3) for any proposed expansion of service, whether operational
30 or capital in nature, the corporation, upon publication of a proposal
31 to expand service, shall make available immediately to the Office of
32 Customer Advocate all information and documents concerning the
33 proposal so that the office may review those documents and prepare
34 an analysis of the proposed expansion of service, to be reported to
35 the board of directors; and

36 (4) for any other action or omission of the corporation that the
37 Office of Customer Advocate determines has a significant impact
38 on the corporation's customers, the corporation shall make available
39 to the Office of Customer Advocate, immediately upon request, all
40 information and documents concerning the action or omission so
41 that the office may review those documents and prepare an analysis
42 to be reported to the board of directors.

43 f. Funds for the expenses of the Office of Customer Advocate,
44 and for the office's budget, shall be provided by the State Treasurer,
45 as appropriated by the Legislature, and shall be independent of
46 funds for the New Jersey Transit Corporation.

47 g. On or before March 31 of each year, the Director of the
48 Office of Customer Advocate shall prepare a report on the activities

1 of the office for the previous calendar year, including any reports
2 provided to the corporation's board of directors. The report may
3 include any additional information that the Director of the Office of
4 Customer Advocate determines to be appropriate. The director
5 shall submit the report to the Governor and, pursuant to section 2 of
6 P.L.1991, c.164 (C.52:14-19.1), to the Legislature.

7
8 7. Section 22 of P.L.1984, c.73 (C.27:1B-22) is amended to
9 read as follows:

10 22. The commissioner shall prepare and submit the following
11 reports to the Governor, the Legislature, and the Transportation
12 Policy Review Board, established pursuant to section 6 of P.L.2006,
13 c.3 (C.27:1B-22.2) under the terms set forth below: a
14 Transportation Master Plan, a Statewide Capital Investment
15 Strategy, an Annual Transportation Capital Program, a
16 Transportation Trust Fund Authority Financial Plan, and a Five-
17 Year Capital Plan.

18 a. To the end that the transportation system of the State shall
19 be planned in an orderly and efficient manner and that the
20 Legislature shall be advised of the nature and extent of public
21 highways, public transportation projects and other transportation
22 projects contemplated to be financed under this act, the department
23 shall submit a master plan, as provided in subsection (a) of section
24 5 of P.L.1966, c.301 (C.27:1A-5). Notwithstanding the provisions
25 of that act, the plan shall be for a period of five years and shall be
26 submitted to the Commission on Capital Budgeting and Planning,
27 the Chairman of the Senate Transportation Committee and the
28 Chairman of the Assembly Transportation and Independent
29 Authorities Committee, or their successors, and the Legislative
30 Budget and Finance Officer, and the metropolitan planning
31 organizations, on or before March 1, 2001, and at five-year
32 intervals thereafter. The master plan shall set the direction for the
33 department's overall Capital Investment Strategy and subsequent
34 annual Transportation Capital Programs submitted to the
35 Legislature for approval pursuant to this section. This master plan
36 shall, to the extent practicable, conform to all federal requirements
37 for Statewide transportation planning.

38 b. The Department of Transportation, in conjunction with the
39 New Jersey Transit Corporation, the New Jersey Turnpike
40 Authority, and the South Jersey Transportation Authority, shall
41 prepare a "Statewide Capital Investment Strategy" for at least a
42 five-year period which shall contain, at a minimum, a statement of
43 the goals of the department, the corporation, and the toll road
44 authorities in major selected policy areas and the means by which
45 the goals are to be attained during that period, using quantitative
46 measures where appropriate. The Statewide Capital Investment
47 Strategy may be updated and submitted no later than March 1 of
48 each year. The Statewide Capital Investment Strategy shall provide

1 for a multi-modal, intermodal, seamless, technologically advanced,
2 and secure transportation system. It shall recommend investment
3 for major program categories, set overall goals for investment in the
4 State's infrastructure, and develop program targets and performance
5 measures. It may rely on infrastructure management systems as
6 developed by the department to assess bridge conditions, pavement
7 conditions, bridge, traffic and pedestrian safety, traffic congestion
8 and public transit facilities. With respect to pavement conditions,
9 the department shall set as a priority the utilization of efficient cost-
10 effective materials and treatments as stated in section 9 of P.L.2000,
11 c.73 (C.27:1B-21.22). In the event that there exist appropriate
12 circumstances for the use of micro-surfacing and cold-in-place
13 recycling, the department shall establish as a special priority the use
14 of these materials and surface treatments. The goals of the Capital
15 Investment Strategy shall include, but not be limited to, reduction of
16 vehicular and pedestrian accidents, reduction in the backlog of
17 projects, including one-half of the structurally deficient bridge
18 repair projects and pavement deficiencies, and an increase in lane
19 miles of bicycle paths, with a goal of constructing an additional
20 1,000 lane miles of bicycle paths in five years to reduce traffic
21 congestion and for recreational uses. The construction of bicycle
22 and pedestrian lanes, paths and facilities shall be subject to no
23 stricter environmental requirements than are provided pursuant to
24 federal law and regulations for such lanes, paths and facilities,
25 notwithstanding the provisions to the contrary of State law and
26 regulations, including State Executive Order No. 215 of 1989. With
27 respect to the New Jersey Transit Corporation, the Statewide
28 Capital Investment Strategy shall deal with the corporation's overall
29 goal to keep the public transportation system in a state of good
30 repair and, more specifically, in the area of bus transportation,
31 present a strategy and a preliminary timetable for the replacement
32 of the current diesel bus fleet with a fleet of buses which have
33 reduced emission of air pollutants. The corporation shall consider
34 the feasibility of buses with improved pollution controls and that
35 reduce particulate emissions and buses powered by fuel other than
36 conventional diesel fuel, such as compressed natural gas vehicles,
37 hybrid vehicles, fuel cell vehicles, biodiesel vehicles, vehicles
38 operated on ultra low sulfur fuel, and vehicles operated on any other
39 bus fuel approved by the United States Environmental Protection
40 Agency. The corporation may consider as part of its strategy,
41 cooperative efforts with bus manufacturers, and the solicitation of
42 federal support, in developing a "clean bus" with air pollution
43 controls superior to currently available technology. For the fiscal
44 year beginning July 1, 2007 and each fiscal year thereafter, all
45 buses purchased by the New Jersey Transit Corporation shall be
46 buses with improved pollution controls and that reduce particulate
47 emissions, or buses powered by fuel other than conventional diesel
48 fuel, such as compressed natural gas vehicles, hybrid vehicles, fuel

1 cell vehicles, biodiesel vehicles, vehicles operated on ultra low
2 sulfur fuel, or vehicles operated on any other bus fuel approved by
3 the United States Environmental Protection Agency. In the event
4 that the corporation is not able to meet the bus purchase
5 requirements set forth in this section with respect to any fiscal year,
6 prior to the commencement of the fiscal year, the board of the
7 corporation shall, by resolution, submit a report to the Legislature
8 detailing its inability to meet the requirements and the reasons
9 therefor and shall submit the report to the Senate and General
10 Assembly when both houses are in session, including therein a
11 request to be exempted from the bus purchase requirements of this
12 section with regard to the fiscal year in question. The President of
13 the Senate and the Speaker of the General Assembly shall cause the
14 date of submission to be entered upon the Senate Journal and the
15 Minutes of the General Assembly. If a joint resolution approving
16 the exemption is passed by the Legislature and signed by the
17 Governor prior to the commencement of the fiscal year in question,
18 the corporation shall be exempt from the requirements for that fiscal
19 year.

20 In the fiscal year beginning on July 1, 2007 and in each fiscal
21 year thereafter, in the year prior to the year in which final
22 engineering is anticipated to start on any project which extends the
23 reach of the New Jersey Transit rail or light rail system, the New
24 Jersey Transit Corporation shall be required to identify and include
25 in the annual Statewide Capital Investment Strategy the required
26 State financial assistance to support operation of the incremental
27 service for the first three years and the projected fare box recovery
28 ratio at the commencement of the fourth year of operation of each
29 project.

30 The Statewide Capital Investment Strategy shall also detail the
31 planned investment of capital funds for public transportation
32 projects of companies other than the New Jersey Transit
33 Corporation engaged in the business of providing motor bus
34 transportation. The Statewide Capital Investment Strategy shall
35 demonstrate that such investment adequately addresses the finding
36 in section 2 of P.L.1979, c.150 (C.27:25-2) that in the provision of
37 public transportation services it is desirable to encourage to the
38 maximum extent feasible the participation of private enterprise.

39 c. On or before March 1 of each year, the commissioner shall
40 submit a report of **general project categories and** proposed capital
41 projects **thereunder** to be financed in the ensuing fiscal year,
42 including therewith a description of the projects, the county or
43 counties and municipality or municipalities within which they are to
44 be located, a distinction between State and local projects, an
45 identification number for each project that can be used to cross
46 reference any project in the State's federal Statewide Transportation
47 Improvement Program, the project phase of work, investment
48 category, project sponsor, governmental entity with jurisdiction

1 over the project and associated infrastructure, the amount estimated
2 to be expended on each project in the year of appropriation, and an
3 estimate of the total project cost. Proposed appropriations shall be
4 included in the report as a unique project if the spending includes
5 one or more contracts for related work of more than \$100,000 at a
6 single site, or for a single contract of at least \$100,000 which
7 includes one type of work at multiple locations that is not related to
8 any other capital work required at those locations. The report shall
9 not group or bundle projects unless the act of grouping or bundling
10 complies with the single site requirement or single contract
11 requirement of this section. Any group or bundle of projects that is
12 included in the report shall provide specific information concerning
13 the project details, including location, of each component project
14 within the group or bundle. The reporting of projects should
15 convey a general sense of the scope and scale of work that is
16 intended to be completed over the course of the fiscal year.

17 This report shall be known as the "Annual Transportation Capital
18 Program" for the upcoming fiscal year. It shall include proposed
19 projects of both the Department of Transportation and the New
20 Jersey Transit Corporation. The program shall be consistent with,
21 and reflective of, the goals and priorities of the Capital Investment
22 Strategy and the program shall include an explanation which
23 demonstrates how it is consistent with, and reflective of, the goals
24 and priorities. The program shall be transmitted to the Legislature
25 in a document format that lists the projects as well as a spreadsheet
26 format that includes sortable fields for each of the data points
27 required to be included for each project in the program.

28 d. On or before March 1 of each year, the commissioner shall
29 also submit a "Transportation Trust Fund Authority Financial Plan"
30 designed to implement the financing of the proposed projects. The
31 financial plan shall contain an enumeration of the bonds, notes or
32 other obligations of the authority which the authority intends to
33 issue, including the amounts thereof and the conditions therefor.
34 The financial plan shall set forth a complete operating and financial
35 statement covering the authority's proposed operations during the
36 ensuing fiscal year, including amounts of income from all sources,
37 including but not limited to the proceeds of bonds, notes or other
38 obligations to be issued, as well as interest earned. In addition, the
39 plan shall contain proposed amounts to be appropriated and
40 expended, as well as amounts for which the department anticipates
41 to obligate during the ensuing fiscal year for any future
42 expenditures.

43 e. The Statewide Capital Investment Strategy, the Annual
44 Transportation Capital Program, and the Transportation Trust Fund
45 Authority Financial Plan shall be submitted to the Senate and
46 General Assembly. Within 45 days of the receipt thereof, the
47 Senate or the General Assembly may object in writing to the
48 commissioner in regard to any project or projects in the Annual

1 Transportation Capital Program it disapproves or which it is of the
2 opinion should be modified or added to or any additional or
3 alternative projects considered or in regard to any element of the
4 financial plan. The commissioner shall consider the objections and
5 recommendations and resubmit the report within 10 days,
6 containing therein any modifications based upon the commissioner's
7 consideration of the objections or recommendations.

8 f. In order that the Legislature shall be advised of the nature
9 and extent of public highways, public transportation projects, and
10 other transportation projects contemplated to be financed under this
11 act, the commissioner shall submit annually, together with the
12 Annual Transportation Capital Program, a Five-Year Capital Plan,
13 which shall set forth projects and programs anticipated to be funded
14 over the five-year period. The Five-Year Capital Plan shall, to the
15 extent practicable, conform to all federal requirements for Statewide
16 transportation capital programming.

17 (cf: P.L.2016, c.56, s.6)

18
19 8. Section 16 of P.L.2018, c.162 (C.27:25-5.27) is repealed.

20
21 9. This act shall take effect immediately.

22 23 24 STATEMENT

25 26 Independence of Board Members

27 The bill provides that the chairperson and vice chairperson of the
28 New Jersey Transit Corporation (NJ Transit) board of directors are
29 to be elected from among the voting members of the board. The
30 chairperson and vice chairperson are each to serve two year terms.
31 If the board fails to elect a chairperson and vice chairperson, the
32 longest tenured public member of the board that is authorized to
33 vote is to serve as chairperson until the election of a chairperson. If
34 more than one member shares the longest tenure, the acting
35 chairperson is to be decided by random selection from those
36 members with the longest tenure and is to serve as chairperson until
37 the election of the chairperson. The bill prohibits an ex officio
38 member's designee from serving as the chairperson of the board or
39 otherwise presiding over any board meeting.

40 The bill authorizes any board member to address the board at a
41 public meeting concerning an issue of item that the board member
42 believes is in the public interest or board's interest to discuss. At
43 that time, each board member is to be afforded an opportunity to
44 discuss the issue or item. Following that discussion, the
45 chairperson or board may add the issue or item to a subsequent
46 board agenda or the board may take other appropriate action.

1 Board Hiring

2 This bill requires that the board of directors directly hire the
3 Executive Director, Director of the Office of Customer Advocate,
4 and Auditor General. It also requires board approval to hire
5 individuals for positions at the level of Senior Vice President and
6 Chief.

7

8 Board and Committee Transparency and Accountability

9 The bill subjects major planning documents to review and
10 approval by the board of directors. The bill requires the board to
11 take an active role in developing corporate bylaws and to adopt new
12 bylaws within 180 days of the effective date of the bill to ensure
13 consistency with statutory law governing NJ Transit. The board is
14 required to ensure that the bylaws are available to the public and
15 published on NJ Transit's website.

16 Under the bill, NJ Transit personnel are required to make audit
17 documents available to the members of the board in a centralized
18 database. If NJ Transit has not yet established a centralized
19 database for these documents, the bill requires that the document be
20 made available to a board member upon request. The bill requires
21 NJ Transit senior management to collaborate with the
22 administration committee on the development of any fiscal item.
23 NJ Transit is prohibited from taking certain action concerning a
24 fiscal item until the fiscal item has been presented to the
25 administration committee. If the members of the administration
26 committee find that the fiscal item should not advance or needs to
27 be modified, the full board may, at a subsequent board meeting,
28 require NJ Transit to take certain action.

29 The bill clarifies that each committee of the board is to serve as
30 an apparatus for members of the committee to obtain information
31 and to engage in policy discussions within the purview of the
32 committee. Upon request of a committee member, NJ Transit
33 personnel is required to provide information to the committee at a
34 time and in a form and manner determined by the committee. The
35 bill states that the chairperson of each passenger advisory
36 committee and the Director of the Office of Customer Advocate, or
37 designees of those persons, may attend any committee meeting to
38 provide pertinent information or commentary to the committee.
39 The bill also clarifies that the board and each member of the board
40 remain authorized and obligated to exercise the functions and
41 responsibilities of each committee and emphasizes that each board
42 member is required to apply independent judgment while fulfilling
43 the board member's duties.

44

45 Legislative Oversight

46 This bill clarifies the process for a standing legislative committee
47 to require testimony or the production of documents by NJ Transit
48 personnel before the committee. Under the bill, board members,

1 officers, and employees of NJ Transit are required to appear before
2 a standing legislative committee upon the written request of the
3 chairperson, at a date, time, and location determined by the
4 chairperson. If a board member, officer, or employee fails to
5 appear, present testimony, or produce books, papers, documents, or
6 other objects as requested, the chairperson of the committee is
7 authorized to apply to the Superior Court to compel the person to do
8 so. The court is authorized to punish any individual who fails to
9 comply as if that person were in contempt of court.

10 11 Customer Advocate

12 This bill repeals a provision of law that requires NJ Transit to
13 employ a customer advocate and, instead, establishes the Office of
14 Customer Advocate (Customer Advocate) to: provide information
15 and independent analysis to the NJ Transit board of directors on the
16 impact that board and NJ Transit actions are having, or are expected
17 to have, on NJ Transit's customers; provide genuine customer input
18 and feedback to the board of directors, including relaying the needs
19 and concerns of customers to the board of directors; and represent
20 the best interest of NJ Transit's customers as determined by the
21 Director of the Office of Customer Advocate. The Customer
22 Advocate is allocated within the Department of Transportation but
23 is independent of any supervision or control by the department,
24 provided, however, that the director of the office is to be supervised
25 by NJ Transit's board of directors.

26 The Customer Advocate is authorized to conduct investigations,
27 initiate studies, conduct research, present comments and testimony
28 before the board of directors, legislative committees, and other
29 governmental bodies, and prepare and issue reports. The Customer
30 Advocate is required to arrange for meetings with NJ Transit
31 passengers, on at least a monthly basis, for the purpose of: relaying
32 the concerns and needs of passengers to the board of directors and
33 the executive management team of NJ Transit; and providing
34 information to passengers on major board or NJ Transit actions of
35 which the director has knowledge. In addition to monthly meetings,
36 the director of the office may undertake any other action that the
37 director deems to be in furtherance of the Customer Advocate's
38 purposes. The Customer Advocate also has the authority to
39 represent the public interest regarding proposed fare increases,
40 proposed substantial curtailments of service, proposed expansion of
41 service, and any other action or omission of NJ Transit that the
42 Customer Advocate determines has an impact on NJ Transit's
43 customers.

44 The Customer Advocate is required to issue an annual report
45 detailing the office's activities for the prior year.

46 The bill reduces the number of persons appointed by the
47 Governor to each passenger advisory committee from six to five
48 and instead authorizes the Director of the Office of Customer

1 Advocate to appoint one person to each passenger advisory
2 committee. The bill also directs the passenger advisory committees
3 to provide advice, input, and guidance to the Office of Customer
4 Advocate.

5

6 Capital Program Public Hearing and Reporting

7 The bill requires NJ Transit to hold at least two public hearings
8 concerning the contents of the annual capital program before it
9 adopts and implements the program. The bill also requires NJ
10 Transit to hold at least two public hearings per year on its strategic
11 plan, capital program priorities, and vision for NJ Transit's future.
12 The bill provides requirements for the public hearings.

13 This bill amends the requirements for the annual transportation
14 capital program report that is annually submitted to the Legislature
15 as part of the annual budget process. This report is a
16 recommendation provided by the Department of Transportation and
17 NJ Transit for how the State should appropriate the State's capital
18 program appropriations from the New Jersey Transportation Trust
19 Fund.

20 The bill would require that the reporting of capital projects in the
21 report be more specific by narrowing the scope of what is to be
22 reported as a project down to the level of each contract of \$100,000
23 or more, or a group of contracts totaling \$100,000 or more that are
24 for related work at a single site. The bill also requires the projects
25 to be reported in a manner that conveys the scope and scale of work
26 to be completed over the course of the fiscal year. These
27 requirements are directed specifically at the reporting for NJ Transit
28 which has traditionally reported capital requests in broad categories
29 that obscure the specific capital work to be completed.

30 The bill also provides that the capital program is to be reported
31 in a document format as is currently the case, and to also require the
32 reporting of capital program information in a sortable spreadsheet
33 format.