

[First Reprint]
ASSEMBLY, No. 2560

STATE OF NEW JERSEY

INTRODUCED DECEMBER 9, 1996

By Assemblymen DeCROCE, Asselta and Bucco

1 AN ACT concerning transportation projects, amending and
2 supplementing Title 27 of the Revised Statutes.

3

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

6

7 1. (New Section) The Legislature finds and declares that:

8 a. A safe and efficient transportation system is essential to the
9 economic and social well-being of the State and its people, and is a
10 sound economic investment opportunity for both private and public
11 resources.

12 b. The use of public-private transportation initiatives would
13 enhance the ability of the State to provide a safe and efficient
14 transportation system through use of alternate funding sources and
15 private sector efficiencies; supplement the State's transportation
16 resources in order to allow the State to use its limited resources for
17 other needed projects; and encourage and promote business and
18 employment opportunities for the citizens of New Jersey.

19

20 2. (New Section) As used in this act:

21 "Commissioner" means the Commissioner of Transportation.

22 "Corporation" means the New Jersey Transit Corporation.

23 "Department" means the Department of Transportation.

24 "Demonstration project" means a transportation project selected by
25 the commissioner pursuant to section 3 of this act.

26 "Developer" means a public or private entity or consortia thereof
27 selected by the public partner from among proposers to develop a
28 demonstration project.

29 "Intelligent transportation systems" means the equipment, facilities,
30 property, information management and communications resources
31 which are necessary or desirable for the advancement, management, or

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ATC committee amendments adopted January 9, 1997.

1 operation of a multi-modal transportation network.

2 "Public highways" means public roads, streets, expressways,
3 freeways, parkways, motorways and boulevards, including bridges,
4 tunnels, overpasses, underpasses, interchanges, rest areas, express bus
5 roadways, bus pullouts and turnarounds, park-ride facilities, traffic
6 circles, grade separations, intelligent transportation systems, traffic
7 control devices, the elimination or improvement of crossings of
8 railroads and highways, whether at grade or not at grade, and any
9 facilities, equipment, property, rights of way, easements and interests
10 therein needed for the construction, improvement and maintenance of
11 highways or intelligent transportation systems.

12 "Public partner" means the Department of Transportation or the
13 New Jersey Transit Corporation, as the case may be.

14 "Public transportation project" means, in connection with public
15 transportation service, passenger stations, shelters and terminals,
16 automobile parking facilities, ramps, track connections, signal systems,
17 power systems, information and communication systems, roadbeds,
18 transit lanes or rights of way, equipment storage and servicing
19 facilities, bridges, grade crossings, rail cars, locomotives, motorbuses
20 and other motor vehicles, maintenance and garage facilities, revenue
21 handling equipment and any other equipment, facility or property
22 useful for or related to the provision of public transportation service.

23 "Transportation project" means, in addition to public highways and
24 public transportation projects, any equipment, facility or property
25 useful or related to the provision of any ground, waterborne or air
26 transportation for the movement of people and goods.

27

28 3. (New Section) a. Commencing with the fiscal year beginning
29 after the effective date of this act and for the next four succeeding
30 fiscal years, the commissioner is authorized to select up to seven
31 transportation projects from the list of transportation projects in the
32 annual appropriations acts for those five fiscal years to serve as
33 demonstration projects.

34 b. Selection by the commissioner of demonstration projects
35 pursuant to subsection a. of this section which are public
36 transportation projects shall be made with the approval of the board
37 of the corporation.

38 c. If a transportation project is not listed in the annual
39 appropriations acts, the commissioner may submit that project as a
40 demonstration project to the Legislature for approval. The
41 commissioner shall make the submission to the Legislature to the
42 President of the Senate and the Speaker of the General Assembly on
43 a day when both houses are meeting. The President and the Speaker
44 shall cause the date of submission to be entered upon the Senate
45 Journal and the Minutes of the General Assembly, respectively. Unless
46 the project as described in the submission is disapproved by adoption

1 of a concurrent resolution to this effect by the affirmative vote of a
2 majority of the authorized membership of both houses within the time
3 period prescribed in this subsection, the project shall be deemed
4 approved and the public partner shall be authorized to undertake the
5 project. The time period shall commence on the day of submission and
6 expire on the forty-fifth day after submission or for a house not
7 meeting on the forty-fifth day, on the next meeting day of that house.
8

9 4. (New Section) a. ¹A¹ public partner is authorized to solicit
10 proposals in the five fiscal years after the effective date of this act, as
11 provided in subsection a. of section 3 of this act, from developers to
12 plan, design, construct, equip, operate, finance, improve and maintain,
13 or any combination thereof, demonstration projects selected by the
14 commissioner pursuant to section 3 of this act.

15 b. A public partner shall select proposals for negotiation of public-
16 private demonstration project agreements based on the overall benefit
17 to the State, the qualifications and financial strength of the proposer,
18 the proposer's responsiveness to the public partner's requirements, the
19 total project cost to be incurred by the public partner, the nature of
20 project financing, the revenues to be generated by the project on behalf
21 of and in support of the State, the impact of any direct or indirect user
22 fees and any other evaluation criteria the public partner deems
23 appropriate. The public partner shall negotiate with one or more
24 proposers to reach an agreement in the best interests of the State.

25 c. Any power possessed by a public partner pursuant to this act or
26 any other act or any function performed by the department or the
27 corporation, as the case may be, with respect to transportation
28 projects may be used by that public partner to facilitate the
29 development, construction, maintenance and operation of
30 demonstration projects selected pursuant to this act. Agreements
31 entered into pursuant to this act may provide for full reimbursement
32 to the State for services rendered by the public partner or other State
33 entities or agencies or for the provision of revenues generated to the
34 State. The public partner is authorized to enter into financing,
35 funding, and credit agreements on such terms as the commissioner
36 deems favorable to the State to promote the purposes of this act.

37 d. An agreement entered into pursuant to this act shall provide for
38 a public involvement and information process to apply to each
39 demonstration project. The purpose of the public involvement and
40 information process shall be to disseminate and provide information
41 about the demonstration project to the public, prospective project
42 users, and the residents of communities affected by the project, and to
43 establish a formal means by which interested persons may comment
44 upon the project and make suggestions.

45 ¹e. Upon entering into an agreement pursuant to this act, the public
46 partner shall publish a notice in a newspaper circulating in the county

1 in which the demonstration project will be located describing the
2 project and the responsibilities of the developer and the public partner
3 with respect to the project. If a demonstration will be located in more
4 than one county or have a regional impact, the notice shall also be
5 published in a publication circulating in the region in which the
6 demonstration project will be located.¹

7
8 5. (New Section) a. The department's financial participation in
9 any demonstration project undertaken pursuant to this act shall be
10 subject to legislative appropriation. The corporation's financial
11 participation in any demonstration project undertaken pursuant to this
12 act shall be subject to the availability of funds. Participation by a
13 public partner may take the form of loans or such other financial credit
14 arrangements as may be appropriate to advance an approved project.
15 Agreements entered into pursuant to this act shall provide such loans
16 or other credit arrangements made by the public partner shall yield a
17 reasonable return and be amortized over the term of such agreement,
18 or such lesser period as may be agreed to by the parties.

19 b. Agreements entered into pursuant to this act shall provide for
20 the allocation of ownership, leasehold, and other property interests in
21 demonstration projects.

22 c. The agreement may authorize the developer to set and impose
23 rents, fares or user fees for use of a facility constructed by it and may
24 require that over the term of the agreement, the rent, fare or fee
25 revenues received by the developer be applied to repayment of the
26 developer's capital outlay costs, interest expense, costs associated with
27 operations, fare or user fee collection, facility management,
28 reimbursement of the State's project review and oversight costs,
29 repayment of loans, revenues to the State, technical and law
30 enforcement services, and a reasonable return on investment to the
31 developer.

32 d. The agreement shall specify the manner in which rents, fares or
33 user fees are to be established or revised, the procedures for receiving
34 public comment on the establishment or revision of fares or user fees,
35 including the holding of a public hearing thereon, and the procedures
36 by which the public partner shall oversee the establishment or revision
37 of fares or user fees.

38
39 6. (New Section) Demonstration projects constructed by and
40 leased by a developer pursuant to this act shall, from the
41 commencement of operation, be deemed to be a part of the State
42 highway system for purposes of the enforcement of traffic and other
43 applicable laws or a part of the State public transportation system for
44 the purposes of enforcement of all applicable laws, as the case may be.

45
46 7. (New Section) a. Transportation projects selected pursuant to

1 this act shall be designed, constructed, operated and maintained in
2 accordance with all applicable environmental requirements and all
3 other applicable State and federal laws and regulations necessary to
4 the protection of the public health, safety and welfare.

5 b. Unless determined otherwise by the corporation, in its sole
6 discretion, the plans and specifications for each demonstration project
7 shall comply with the corporation's standards for public transportation
8 projects.

9 c. Unless determined otherwise by the commissioner, in his sole
10 discretion, the plans and specifications for each transportation project
11 other than public transportation projects shall comply with the
12 department's standards for State transportation projects.

13

14 8. (New Section) All absolute and qualified immunities and
15 defenses provided to public entities and public employees by the "New
16 Jersey Tort Claims Act," N.J.S.59:1-1 et seq., the "New Jersey
17 Contractual Liability Act," N.J.S.59:13-1 et seq., and any other law
18 shall apply to all interests held and activities performed by the
19 department, the corporation and other State agencies in connection
20 with the demonstration projects authorized pursuant to this act.

21

22 9. (New Section) a. The public partner may agree to defend and
23 indemnify any person, who, pursuant to a written agreement with the
24 public partner entered into in accordance with this act, designs,
25 constructs, operates, maintains, leases or otherwise holds an interest
26 in a demonstration project, against claims, causes of action, demands,
27 costs or judgements against that person arising as a direct result of the
28 design, construction, interest, operation, or maintenance of that
29 demonstration project. The public partner is authorized to reach
30 agreements to defend and indemnify a person upon the terms and
31 limitations the public partner deems reasonable and appropriate.

32 b. A determination by the public partner to defend and indemnify
33 pursuant to this section does not bar, reduce, limit or affect any
34 remedies which the public partner may have to enforce the agreement
35 between the public partner and the developer to assert a claim for
36 damages to which the public partner may be entitled arising out of the
37 developer's failure to perform the agreement, or for the recovery of
38 funds expended for the defense of the developer if the defense was
39 undertaken in response to a claim or cause of action brought against
40 the developer which is proven to have arisen from gross negligence,
41 willful misconduct, fraud, intentional tort, bad faith or criminal
42 conduct.

43 c. No one other than the person operating, maintaining, leasing or
44 otherwise holding an interest in the demonstration project pursuant to
45 an agreement with the public partner has the right to enforce any
46 agreement for defense or indemnification between that person and the

1 public partner.

2

3 10. Section 5 of P.L.1966, c.301 (C.27:1A-5) is amended to read
4 as follows:

5 5. The commissioner, as head of the department, shall have all of
6 the functions, powers and duties heretofore vested in the State
7 Highway Commissioner and shall, in addition to the functions, powers
8 and duties vested in him by this act or by any other law:

9 (a) Develop and maintain a comprehensive master plan for all
10 modes of transportation development, with special emphasis on public
11 transportation. Such plan shall be revised and updated at least every
12 five years;

13 (b) Develop and promote programs to foster efficient and
14 economical transportation services in the State;

15 (c) Prepare plans for the preservation, improvement and expansion
16 of the public transportation system, with special emphasis on the
17 coordination of transit modes and the use of rail rights of way,
18 highways and public streets for public transportation purposes;

19 (d) Enter into contracts with the New Jersey Transit Corporation
20 for the provision and improvement of public transportation services;

21 (e) Coordinate the transportation activities of the department with
22 those of other public agencies and authorities;

23 (f) Cooperate with interstate commissions and authorities, State
24 departments, councils, commissions and other State agencies, with
25 appropriate federal agencies, and with interested private individuals
26 and organizations in the coordination of plans and policies for the
27 development of air commerce and air facilities;

28 (g) Make an annual report to the Governor and the Legislature on
29 the department's operations, and render such other reports as the
30 Governor shall from time to time request or as may be required by law;

31 (h) Promulgate regulations providing for the charging of and
32 setting the amount of fees for certain services performed by and
33 permits issued by the department, including but not limited to the
34 following:

35 (1) Providing copies of documents prepared by or in the custody
36 of the department;

37 (2) Aeronautics permits;

38 (3) Right-of-way permits;

39 (4) Traffic signal control systems;

40 (i) Develop and promote programs for the preservation,
41 improvement and expansion of freight railroads, with special emphasis
42 on the use of rail rights of way for the purpose of providing rail freight
43 service;

44 (j) Develop and promote a program to ensure the safety and
45 continued operation of aviation facilities in New Jersey; [and]

46 (k) Enter into agreements with a public or private entity or

1 consortia thereof to provide for the development of demonstration
2 projects through the use of public-private partnerships pursuant to
3 sections 1 through 9 of P.L. 1986, c. 301 (C. 27:1A-1 et seq.) (now before the
4 Legislature as this bill); and

5 (l) Do any and all things necessary, convenient or desirable to
6 effectuate the purposes of P.L.1966, c.301 (C.27:1A-1 et seq.) and to
7 exercise the powers given and granted in that act.

8 (cf: P.L.1986, c.56, s.1)

9

10 11. Section 2 of P.L.1986, c.56 (C.27:1A-5.1) is amended to read
11 as follows:

12 2. The commissioner, pursuant to subsection (i) of section 5 of
13 P.L.1966, c.301 (C.27:1A-5), may:

14 a. Plan, design, construct, equip, operate, improve and maintain,
15 either directly or by contract with any public or private entity, a
16 railroad, subway, street traction or electric railway, or connecting
17 roadways and facilities for the purpose of carrying freight in this State
18 or between in this State and points in other states;

19 b. Acquire by purchase, condemnation, lease, gift or otherwise, on
20 terms and conditions and in the manner he deems proper, any land or
21 property, real or personal, tangible or intangible, which he may
22 determine is reasonably necessary for the purposes of this section;

23 c. Lease as lessor, sell or otherwise dispose of, on terms and
24 conditions which he may prescribe as appropriate, real and personal
25 property, including tangible or intangible property and consumable
26 goods; or any interest therein, to any public or private entity in the
27 exercise of his powers and the performance of his duties under this
28 section, and may, in order to provide or encourage adequate and
29 efficient rail freight service, lease or otherwise permit the use or
30 occupancy of property without cost or at a nominal rental;

31 d. Upon declaration by him that there are no other prospects for
32 competitive bidding, make, negotiate or award any purchase, contract
33 or agreement pursuant to this section without advertisement.

34 (cf: P.L.1986, c.56, c.2)

35

36 12. Section 5 of P.L.1979, c.150 (C.27:25-5) is amended to read
37 as follows:

38 5. In addition to the powers and duties conferred upon it elsewhere
39 in this act, the corporation may do all acts necessary and reasonably
40 incident to carrying out the objectives of this act, including but not in
41 limitation thereof the following:

42 a. Sue and be sued;

43 b. Have an official seal and alter the same at pleasure;

44 c. Make and alter bylaws for its organization and internal
45 management and for the conduct of its affairs and business;

46 d. Maintain an office at such place or places within the State as it

- 1 may determine;
- 2 e. Adopt, amend and repeal such rules and regulations as it may
3 deem necessary to effectuate the purposes of this act, which shall have
4 the force and effect of law; it shall publish the same and file them in
5 accordance with the "Administrative Procedure Act," P.L.1968, c.410
6 (C.52:14B-1 et seq.) with the Director of the Office of Administrative
7 Law;
- 8 f. Call to its assistance and avail itself of the service of such
9 employees of any federal, State, county or municipal department or
10 agency as it may require and as may be available to it for said purpose;
- 11 g. Apply for, accept and expend money from any federal, State,
12 county or municipal agency or instrumentality and from any private
13 source; comply with federal statutes, rules and regulations, and qualify
14 for and receive all forms of financial assistance available under federal
15 law to assure the continuance of, or for the support or improvement
16 of public transportation and as may be necessary for that purpose to
17 enter into agreements, including federally required labor protective
18 agreements;
- 19 h. Plan, design, construct, equip, operate, improve and maintain,
20 either directly or by contract with any public or private entity, public
21 transportation services, capital equipment and facilities or any parts or
22 functions thereof, and other transportation projects, or any parts or
23 functions thereof, which may be funded under section 3 of the federal
24 Urban Mass Transportation Act of 1964, P.L.88-365 (49 U.S.C.
25 {1602}), or any successor or additional federal act having substantially
26 the same or similar purposes or functions; the operation of the
27 facilities of the corporation, by the corporation or any public or private
28 entity, may include appropriate and reasonable limitations on
29 competition in order that maximum service may be provided most
30 efficiently to the public;
- 31 i. Apply for and accept, from appropriate regulatory bodies,
32 authority to operate public transportation services where necessary;
- 33 j. Purchase, lease as lessee, or otherwise acquire, own, hold,
34 improve, use and otherwise deal in and with real or personal property,
35 or any interest therein, from any public or private entity, wherever
36 situated;
- 37 k. Lease as lessor, sell or otherwise dispose of on terms which the
38 corporation may prescribe, real and personal property, including
39 tangible or intangible property and consumable goods, or any interest
40 therein, to any public or private entity, in the exercise of its powers
41 and the performance of its duties under this act. In order to provide
42 or encourage adequate and efficient public transportation service, the
43 corporation may lease or otherwise permit the use or occupancy of
44 property without cost or at a nominal rental;
- 45 l. Restrict the rights of persons to enter upon or construct any
46 works in or upon any property owned or leased by the corporation,

1 except under such terms as the corporation may prescribe; perform or
2 contract for the performance of all acts necessary for the management,
3 maintenance and repair of real or personal property leased or
4 otherwise used or occupied pursuant to this act;

5 m. Establish one or more operating divisions as deemed necessary.
6 Upon the establishment of an operating division, there shall be
7 established a geographically coincident advisory committee to be
8 appointed by the Governor with the advice and consent of the Senate.
9 The committee shall consist of county and municipal government
10 representatives and concerned citizens, in the number and for such
11 terms as may be fixed by the corporation, and shall advise the
12 corporation as to the public transportation service provided in the
13 operating division. At least two members of each advisory committee
14 shall be public transportation riders, including but not limited to urban
15 transit users and suburban commuters as appropriate. One public
16 member from the board of corporation shall serve as a liaison to each
17 advisory committee;

18 n. Set and collect fares and determine levels of service for service
19 provided by the corporation either directly or by contract including,
20 but not limited to, such reduced fare programs as deemed appropriate
21 by the corporation; revenues derived from such service may be
22 collected by the corporation and shall be available to the corporation
23 for use in furtherance of any of the purposes of this act;

24 o. Set and collect rentals, fees, charges or other payments from the
25 lease, use, occupancy or disposition of properties owned or leased by
26 the corporation; such revenues shall be available to the corporation for
27 use in furtherance of any of the purposes of this act;

28 p. Deposit corporate revenues in interest bearing accounts or in the
29 State of New Jersey Cash Management Fund established pursuant to
30 section 1 of P.L.1977, c.28 (C.52:18A-90.4);

31 q. Delegate to subordinate officers of the corporation such powers
32 and duties as the corporation shall deem necessary and proper to carry
33 out the purposes of this act;

34 r. Procure and enter into contracts for any type of insurance and
35 indemnify against loss or damage to property from any cause,
36 including loss of use and occupancy, against death or injury of any
37 person, against employees' liability, against any act of any member,
38 officer, employee or servant of the corporation, whether part-time,
39 full-time, compensated or noncompensated, in the performance of the
40 duties of his office or employment or any other insurable risk. In
41 addition, the corporation may carry its own liability insurance;

42 s. Promote the use of public transportation services, coordinate
43 ticket sales and passenger information and sell, lease or otherwise
44 contract for advertising in or on the equipment or facilities of the
45 corporation;

46 t. Adopt and maintain employee benefit programs for employees of

1 the corporation including, but not limited to, pension, deferred
2 compensation, medical disability, and death benefits, and which
3 programs may utilize insurance contracts, trust funds, and any other
4 appropriate means of providing the stipulated benefits, and may
5 involve new plans or the continuation of plans previously established
6 by entities acquired by the corporation;

7 u. Own, vote, and exercise all other rights incidental to the
8 ownership of shares of the capital stock of any incorporated entity
9 acquired by the corporation pursuant to the powers granted by this
10 act;

11 v. Enter into any and all agreements or contracts, execute any and
12 all instruments, and do and perform any and all acts or things
13 necessary, convenient or desirable for the purposes of the corporation,
14 or to carry out any power expressly or implicitly given in this act;
15 [and,]

16 w. Notwithstanding the provisions of section 17 of P.L.1979, c.150
17 (C.27:25-17) or any other law to the contrary, (1) issue operating
18 grant anticipation notes which shall be secured and retired from
19 operating assistance grants authorized under section 9 of the federal
20 Urban Mass Transportation Act of 1964, P.L.88-365 (49 U.S.C.
21 {1602), or any successor or additional federal act having substantially
22 the same or similar purposes or functions and (2) issue capital grant
23 anticipation notes which shall be secured and retired from capital
24 assistance grants authorized under section 3 or section 9 of the federal
25 Urban Mass Transportation Act of 1964, P.L.88-365 (49 U.S.C.
26 {1602), or any successor or additional federal act having substantially
27 the same or similar purposes or functions. As used in this subsection,
28 "operating grant anticipation notes" or "capital grant anticipation
29 notes" (hereafter referred to as "notes") means credit obligations
30 issued in anticipation of these grants. The notes shall be authorized by
31 a resolution or resolutions of the corporation, and may be issued in
32 one or more series and shall bear the date, or dates, bear interest at the
33 rate or rates of interest per annum, be in the denomination or
34 denominations, be in the form, carry the conversion or registration
35 privileges, have the rank or priority, be executed in such manner as the
36 resolution or resolutions require. The notes may be sold at public or
37 private sale at the price or prices and in the manner that the
38 corporation determines. The notes of the corporation, the sale or
39 transfer thereof, and the income derived therefrom by the purchasers
40 of the notes, shall, at all times, be free from taxation for State or local
41 purposes, under any law of the State or any political subdivision
42 thereof. Notes may be issued under the provisions of P.L.1979, c.150
43 (C.27:25-1 et seq.) without obtaining the consent of any department,
44 division, commission, board, bureau or agency of the State, and
45 without any other proceedings, conditions, or things which are
46 specifically required by P.L.1979, c.150 (C.27:25-1 et seq.). The

1 notes issued pursuant to P.L.1979, c.150 (C.27:25-1 et seq.) shall not
2 in any way create or constitute any indebtedness, liability or obligation
3 of the State or of any political subdivision thereof or of the
4 corporation, except as provided herein.

5 The notes shall be payable solely from (1) note proceeds, to the
6 extent not disbursed to the corporation, (2) grant payments if, as, and
7 when received from the federal government, and (3) investment
8 earnings on note proceeds, to the extent not disbursed to the
9 corporation. Each note shall contain on its face a statement to the
10 effect that the corporation is obligated to pay the principal thereof or
11 the interest thereon only from these grants to the corporation and from
12 the proceeds of the notes and investment earnings on the proceeds of
13 the notes, to the extent not disbursed to the corporation, and that
14 neither the faith and credit nor the taxing power of the State or of any
15 political subdivision thereof or of the corporation is pledged to the
16 payment of the principal and interest on these notes. Neither the
17 members of the corporation's board nor any person executing the
18 transactions are personally liable on those notes nor are they otherwise
19 liable for their actions; and,

20 x. Enter into agreements with a public or private entity or consortia
21 thereof to provide for the development of demonstration projects
22 through the use of public-private partnerships pursuant to sections 1
23 through 9 of P.L. 19 ,c. (C.) (now before the Legislature as this
24 bill).

25 (cf: P.L.1989, c.130, s.1)

26

27 13. Section 12 of P.L.1995, c.108 (C.27:1B-21.5) is amended to
28 read as follows:

29 12. a. Notwithstanding the provisions of any other law to the
30 contrary, the commissioner is authorized to enter into agreements with
31 public or private entities or consortia thereof for the loan of federal
32 funds appropriated to the department for the purpose of financing all,
33 or a portion of, the costs incurred for the planning, acquisition,
34 engineering, construction, reconstruction, repair and rehabilitation of
35 a transportation project by that public or private entity or consortia
36 thereof.

37 b. The commissioner, with the approval of the State Treasurer,
38 shall establish rules and regulations governing the qualifications of the
39 applicants, the application procedures, the criteria for awarding loans,
40 and the standards for establishing the amount, terms and conditions of
41 each loan. The rules and regulations shall provide that the term of the
42 loan agreement shall be [no longer than five years and that the loan
43 shall be secured by appropriate collateral or guarantees]consistent with
44 terms and conditions as provided by applicable federal law.

45 c. Loans granted pursuant to this section shall be considered an
46 investment or reinvestment of Special Transportation Fund funds

1 within the meaning of subsection a. of section 21 of P.L.1984, c.73
2 (C.27:1B-21). Payments of interest and principal on loans granted
3 pursuant to this section shall be credited to a special subaccount of the
4 Special Transportation Fund and may be used for financing authorized
5 projects. Monies appropriated from the special subaccount pursuant
6 to this section shall be in addition to the total State amount authorized
7 to be appropriated in a fiscal year pursuant to section 8 of P.L.1987,
8 c.460 (C.27:1B-21.1).

9 d. Each loan made pursuant to this section shall require the specific
10 approval of the Joint Budget Oversight Committee , except for those
11 loans agreed to by the commissioner as part of an agreement for a
12 demonstration project approved pursuant to P.L. 19 , c. (C.)(now
13 before the Legislature as this bill) . The Chairman of the Joint Budget
14 Oversight Committee may request periodic reports from the
15 commissioner on the status of any or all loans. The commissioner shall
16 provide reports so requested on a timely basis.

17 e. Transportation projects which are the subject of a loan
18 agreement entered into pursuant to this section shall be included in the
19 annual report of proposed projects prepared pursuant to section 22 of
20 P.L.1984, c.73 (C.27:1B-22) for the fiscal year in which the loan
21 amount for those projects is to be appropriated.

22 (cf: P.L.1995, c.108, s.12)

23

24 14. This act shall take effect immediately.

25

26

27

28

29 _____
30 Authorizes development of seven public-private transportation
demonstration projects over next five fiscal years.