

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2064

with Senate committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 15, 1997

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2064 with amendments.

Senate Bill No. 2064, as amended, directs the Commissioner of Transportation to allocate and transfer \$5 million from an existing item or items in the Fiscal Year 1998 Transportation Trust Fund capital construction program to a new item for the rehabilitation of certain State-owned but privately operated buses which have been allocated for private carrier regular route service use which have been in operation for at least 10 years. The bill also requires the commissioner to include in the list of proposed projects to be funded by the Transportation Trust Fund for Fiscal Year 1999 and Fiscal Year 2000, a request for funding in the amount of \$5,000,000 in each of those fiscal years for the rehabilitation of State-owned but privately operated buses.

The rehabilitation of the buses would include, but not be limited to, engine and transmission replacement; passenger and driver seat replacement or reupholstery; either replacement or rehabilitation of existing air conditioning systems and components, or both; rehabilitation of heating components, radiator and cooling systems, and related items; replacement or rehabilitation of emission control systems; and either the structural repair or replacement of bus subsection units, or both, as necessary.

The amended bill provides that the New Jersey Transit Corporation will oversee the rehabilitation of the buses. The State-owned vehicles eligible for rehabilitation funds are: MCI 9A coaches, MCI 9B coaches and Flxible NY Rehab coaches which have been assigned to private carriers for regular route service use and which have been in operation for at least 10 years.

Private carriers assigned eligible buses would apply to New Jersey Transit for approval of rehabilitation. New Jersey Transit and the private carrier would conduct a joint inspection of each coach to be rehabilitated to determine what repairs are necessary and eligible for funding under the act. Factors to be considered in determining eligible repairs would include: the length of time the vehicle will remain in service; compliance with all State and federal safety regulations; and

the comfort and convenience of riders. Eligible repairs would be performed by the private carrier, by New Jersey Transit, or by a vendor. New Jersey Transit and the private carrier would jointly determine who would perform the work on the basis of cost and the demonstrated capabilities of the vendor or the carrier who has been proposed to make the repairs. All repairs would be reviewed and approved by New Jersey Transit. Work and funding priority among private carriers would be made on an equitable basis, taking into account each carrier's percentage of eligible equipment and age of buses as determined by the corporation.

The bill requires New Jersey Transit to perform an audit of the rehabilitation expenditures and to transmit a copy of the audit report to the Commissioner of Transportation, the President of the Senate, the Speaker of the General Assembly, the Chairman of the Senate Transportation Committee and the Chairman of the Assembly Transportation and Communications Committee.

As amended and reported, this bill is identical to Assembly Bill No. 2886 (1R) (DeCroce/Kavanaugh).

COMMITTEE AMENDMENT:

The committee amendments provide that the rehabilitation program be funded at \$5 million a year in Fiscal Years 1998, 1999 and 2000 rather than \$15 million in Fiscal Year 1998 as originally provided in the bill. The committee amended the bill to expand the number of buses eligible for rehabilitation funds and to specify the procedure by which private carriers may receive funds for eligible repairs. The committee amendments also require New Jersey Transit to perform an audit of the rehabilitation expenditures.

FISCAL IMPACT:

This bill transfers \$5 million from 1998 Transportation Trust Fund capital construction program for the rehabilitation of certain State-owned buses. The commissioner is to include in FY1999 and FY2000 a request for \$5 million of funding each year for the rehabilitation of buses eligible to receive monies under this bill.