

ASSEMBLY TRANSPORTATION AND INDEPENDENT AUTHORITIES COMMITTEE

STATEMENT TO **ASSEMBLY, No. 2556**

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 8, 2021

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 2556.

As amended and reported, this bill empowers the Department of Transportation (department) to establish and administer a system to monitor, adjudicate, and enforce the collection of motor vehicle tolls imposed by the New Jersey tolling entities. The New Jersey tolling entities include: (1) the New Jersey Turnpike Authority, (2) the South Jersey Transportation Authority, (3) the Burlington County Bridge Commission, and (4) any interstate tolling entity with which New Jersey is a member of the enabling compact and has entered into a reciprocity agreement with the department for the purposes of toll enforcement that authorizes the department to suspend or deny motor vehicle registration privileges for toll violators in accordance with the provisions of the bill. The system established by the department is to include provisions for notice, an opportunity to be heard and appeal, and the suspension of motor vehicle registrations.

The bill clarifies that the authority, under current law, of the New Jersey Turnpike Authority and the South Jersey Transportation Authority to direct motor vehicle registration and driver's license suspensions is not to be limited by the new authority provided to the department to collect the civil penalties and tolls imposed by or direct the suspension of a motor vehicle registration on behalf of the authorities or an out-of-state tolling entity, interstate tolling entity, or another state with which the department has entered into a reciprocity agreement with pursuant to the bill.

Under the bill, upon notification from a New Jersey tolling entity, the department may direct the New Jersey Motor Vehicle Commission (commission) to suspend the motor vehicle registration of the owner of a motor vehicle that has accumulated: unpaid tolls and fees that collectively total \$500 or more over the past three years; or six or more unpaid toll violations, with at least one violation having occurred after the effective date of the bill. Upon notification from a New Jersey tolling entity that a motor vehicle registration meets the threshold for

suspension, the department is authorized to direct a suspension even if the unpaid tolls and fees are reduced below \$500 by a partial satisfaction of the outstanding toll amounts. The suspension is to remain in effect until the department is satisfied that the entirety of all outstanding tolls and fees are paid, dismissed, reversed on appeal or stayed, or that the violator has entered into a payment agreement with the department, provided, however, that the suspension may be reimposed for noncompliance with a repayment agreement.

Prior to directing suspension of a motor vehicle registration, the department is to provide the registered owner with written notice and afford the owner due process and appeal protections in a manner sufficient to address whether the suspension is based on a false, mistaken, or unjustified claim. If the violator fails to dispute or satisfy such unpaid tolls, fees, and costs or if, after an administrative hearing before the department, the violator has not demonstrated that the claim is false, mistaken, or unjustified, the department is to direct suspension of the violator's motor vehicle registration.

Under the bill, the department is also empowered to direct the commission to suspend the registration of a motor vehicle, upon receiving notification from an out-of-state tolling entity, interstate tolling entity, or another state for unpaid toll violations, pursuant to the terms and conditions of a reciprocity agreement entered into between the department and the out-of-state tolling entity, interstate tolling entity, or other state. The department is also empowered to enter into reciprocal agreements with out-of-state tolling entities, interstate tolling entities, or other states to implement a system of unpaid toll collections and enforcement, providing for the suspension of New Jersey motor vehicle registrations for the non-payment of tolls and fees assessed by an out-of-state or interstate tolling entity or another state and the allocation of administrative expenses.

The bill provides that in any proceeding authorized by the bill, documents obtained from the New Jersey tolling entities, the commission, the out-of-state tolling entity, the interstate tolling entity, or another state, or their agents are to be admissible into evidence to support the unpaid toll violations, are to constitute documents of the department, and are to be prima facie proof of the facts contained in the documents.

The bill provides that no suspension may be imposed more than three years after a violation is committed.

Under the bill, the department, in consultation with the New Jersey tolling entities, is to establish an amnesty program that permits the reduction of 25 percent of unpaid tolls of \$500 or more if all outstanding tolls are otherwise paid in their entirety. The amnesty program is to be open to all violators with cumulative unpaid tolls of \$500 or more incurred prior to the effective date of the bill, except that the amnesty program is to end 180 days after the effective date of the bill.

The bill provides that any tolls and fees collected are to be paid directly to the relevant New Jersey tolling entity, out-of-state tolling entity, interstate tolling entity, or other state, and tolls and fees collected by the department, as an agent of the New Jersey tolling entities or as an agent of the out-of-state tolling entity, interstate tolling entity, or other state are not to become part of the General Fund. Nothing in the bill is to be construed to limit the ability of a New Jersey tolling entity to recoup unpaid tolls, fees, and costs by any means available.

The bill provides that the department may negotiate interagency agreements with the New Jersey tolling entities and may include provisions in reciprocity agreements with out-of-state tolling entities, interstate tolling entities, or other states to fund the administrative expenses of the department in enforcing collection of tolls and fees under the bill. The department is to establish minimum fees related to the administration of the bill, which may be increased at the discretion of the department.

The department, the New Jersey tolling entities, and the commission, working cooperatively under the direction and coordination of the department, are each empowered, after providing 30 days' notice for the purpose of receiving public comment, to adopt rules, via an administrative order. The administrative orders are to be effective for up to 18 months from the effective date of the bill, unless the department, the New Jersey tolling entities, or the commission, respectively, adopt regulations pursuant to the provisions of the "Administrative Procedure Act" prior to that date.

COMMITTEE AMENDMENTS

The committee amendments remove all section pertaining to specific tolling authorities and replace those provisions with a provision that authorizes the Department of Transportation to enter into reciprocal agreements with out-of-state entities for the purposes of toll enforcement and to establish and administer a system of monitoring, adjudicating, and enforcing the collection of tolls imposed by New Jersey tolling entities. The amendments provide various standards for the system of monitoring, adjudicating, and enforcing the collection of tolls.

The amendments provide that the entirety of the bill is to take effect immediately upon enactment. The amendments also make changes to the title and synopsis of the bill.