





P.L. 2024, CHAPTER 7, *approved March 26, 2024*  
Assembly, No. 4011

1 **AN ACT** concerning the financing and construction of transportation  
2 infrastructure in the State, revising various parts of the statutory  
3 law, and supplementing Title 39 of the Revised Statutes.

4

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

7

8 1. Section 3 of P.L.1984, c.73 (C.27:1B-3) is amended to read  
9 as follows:

10 3. The following words or terms as used in this act shall have  
11 the following meaning unless a different meaning clearly appears  
12 from the context:

13 "Act" means this New Jersey Transportation Trust Fund  
14 Authority Act of 1984 as amended and supplemented.

15 "Authority" means the New Jersey Transportation Trust Fund  
16 Authority created by section 4 of this act.

17 "Bonds" means bonds issued by the authority pursuant to the act  
18 and includes prior bonds and transportation program bonds.

19 "Circle of Mobility" means an essential group of related transit  
20 projects that include (1) the New Jersey Urban Core Project, as  
21 defined in section 3031 of the "Intermodal Surface Transportation  
22 Efficiency Act of 1991," Pub.L.102-240, and consisting of the  
23 following elements: Secaucus Transfer, Kearny Connection,  
24 Waterfront Connection, Northeast Corridor Signal System, Hudson  
25 River Waterfront Transportation System, Newark-Newark  
26 International Airport-Elizabeth Transit Link, a rail connection  
27 between Penn Station Newark and Broad Street Station, Newark,  
28 New York Penn Station Concourse, and the equipment needed to  
29 operate revenue service associated with improvements made by the  
30 project, and (2) the modification and reconstruction of the West  
31 Shore Line in Bergen County connected to Allied  
32 Junction/Secaucus Transfer Meadowlands Rail Center; the  
33 construction of a rail station and associated components at the  
34 Meadowlands Sports Complex; the modification and reconstruction  
35 of the Susquehanna and Western Railway, as defined and provided  
36 in section 3035 (a) of the "Intermodal Surface Transportation  
37 Efficiency Act of 1991"; the modification and reconstruction of the  
38 Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex

**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 and Warren Counties to the North Jersey Transportation Rail  
2 Centers; and commuter rail service in the central New Jersey region  
3 terminating at the proposed Lakewood Transportation Center in  
4 Ocean County or other location, as determined by the Board of the  
5 New Jersey Transit Corporation, pursuant to a resolution of the  
6 board providing for the achievement of a consensus among the  
7 interested parties as to the direction of the proposed rail line;  
8 provided, however, that this 2000 amendatory act shall not be  
9 construed as affecting any priorities which may have been assigned  
10 to any other project in the Circle of Mobility.

11 "Commissioner" means the Commissioner of Transportation.

12 "Department" means the Department of Transportation.

13 "Federal aid highway" means any highway within the State in  
14 connection with which the State receives payment or reimbursement  
15 from the federal government under the terms of Title 23, United  
16 States Code or any amendment, successor, or replacement thereof,  
17 for the purposes contained in the act.

18 "Federal government" means the United States of America, and  
19 any office, department, board, commission, bureau, division,  
20 corporation, agency, or instrumentality thereof.

21 "New Jersey Highway Authority" means the public corporation  
22 created by section 4 of P.L.1952, c.16 (C.27:12B-4) or its  
23 successor.

24 "New Jersey Turnpike Authority" means the public corporation  
25 created by section 3 of P.L.1948, c.454 (C.27:23-3) or its successor.

26 "Notes" means the notes issued by the authority pursuant to the  
27 act.

28 "Permitted maintenance" means, in relation to public  
29 transportation projects and transportation projects, direct costs of  
30 work necessary for preserving or maintaining the useful life of  
31 public transportation projects and transportation projects,  
32 respectively, provided the work performed is associated with the  
33 acquisition, installation, and rehabilitation of components which are  
34 not included in the normal operating maintenance of equipment and  
35 facilities or replaced on a scheduled basis. The work shall ensure  
36 the useful life of the public transportation project or transportation  
37 project for not less than five years and shall not include routine  
38 maintenance or inspection of equipment and facilities that is  
39 conducted on a scheduled basis. This definition shall not apply to  
40 the term "maintenance" as used in the definition of "public  
41 highways." In relation to public highways, "permitted maintenance"  
42 means the direct costs of work necessary for preserving or  
43 maintaining the useful life of public highways, provided the work is  
44 not associated with the regular and routine maintenance of public  
45 highways and their components. The work shall ensure the useful  
46 life of the transportation project for not less than five years.

1 "Prior bonds" means bonds issued pursuant to the authorization  
2 contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds  
3 issued to refund such prior bonds.

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

15 "Public transportation project" means, in connection with public  
16 transportation service, passenger stations, shelters and terminals,  
17 automobile parking facilities, ferries and ferry facilities, including  
18 capital projects for ferry terminals, approach roadways, pedestrian  
19 accommodations, parking, docks, and other necessary land-side  
20 improvements, ramps, track connections, signal systems, power  
21 systems, information and communication systems, roadbeds, transit  
22 lanes or rights of way, equipment storage, pedestrian walkways and  
23 bridges connecting to passenger stations and servicing facilities,  
24 bridges, grade crossings, rail cars, locomotives, motorbuses and  
25 other motor vehicles, maintenance and garage facilities, revenue  
26 handling equipment and any other equipment, facility, or property  
27 useful for or related to the provision of public transportation  
28 service.

29 "South Jersey Transportation Authority" means the public  
30 corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or  
31 its successor.

32 "State agency" means any office, department, board,  
33 commission, bureau, division, agency, or instrumentality of the  
34 State.

35 "Toll road authorities" means and includes the New Jersey  
36 Turnpike Authority, the New Jersey Highway Authority, or its  
37 successor, and the South Jersey Transportation Authority.

38 "Transportation program bonds" means bonds issued pursuant to  
39 the authorization contained in P.L.2012, c.13, P.L.2016, c.56,  
40 P.L. , c. (C. ) (pending before the Legislature as this bill),  
41 and any bonds issued to refund such transportation program bonds.

42 "Transportation project" means, in addition to public highways  
43 and public transportation projects, any equipment, facility or  
44 property useful or related to the provision of any ground,  
45 waterborne, or air transportation for the movement of people and  
46 goods including rail freight infrastructure, which equipment,  
47 facility, or property may be acquired by purchase or lease.

1 "Transportation system" means public highways, public  
2 transportation projects, other transportation projects, and all other  
3 surface, airborne, and waterborne methods of transportation for the  
4 movement of people and goods.

5 (cf: P.L.2016, c.56, s.1)

6  
7 2. Section 9 of P.L.1984, c.73 (C.27:1B-9) is amended to read  
8 as follows:

9 9. a. The authority shall have the power and is hereby  
10 authorized after November 15, 1984 and from time to time  
11 thereafter to issue its bonds, notes or other obligations in principal  
12 amounts as in the opinion of the authority shall be necessary to  
13 provide for any of its corporate purposes, including the payment,  
14 funding or refunding of the principal of, or interest or redemption  
15 premiums on, any bonds, notes or other obligations issued by it,  
16 whether the bonds, notes, obligations or interest to be funded or  
17 refunded have or have not become due; and to provide for the  
18 security thereof and for the establishment or increase of reserves to  
19 secure or to pay the bonds, notes or other obligations or interest  
20 thereon and all other reserves and all costs or expenses of the  
21 authority incident to and necessary or convenient to carry out its  
22 corporate purposes and powers; and in addition to its bonds, notes  
23 and other obligations, the authority shall have the power to issue  
24 subordinated indebtedness, which shall be subordinate in lien to the  
25 lien of any or all of its bonds or notes. No resolution or other action  
26 of the authority providing for the issuance of bonds, refunding  
27 bonds, notes, or other obligations shall be adopted or otherwise  
28 made effective by the authority without the prior approval in  
29 writing of the Governor and the State Treasurer.

30 b. Except as may be otherwise expressly provided in the act or  
31 by the authority:

32 (1) Every issue of bonds or notes shall be general obligations  
33 payable out of any revenues or funds of the authority, subject only  
34 to any agreements with the holders of particular bonds or notes  
35 pledging any particular revenues or funds. The authority may  
36 provide the security and payment provisions for its bonds or notes  
37 as it may determine, including (without limiting the generality of  
38 the foregoing) bonds or notes as to which the principal and interest  
39 are payable from and secured by all or any portion of the revenues  
40 of and payments to the authority, and other moneys or funds as the  
41 authority shall determine, provided that for transportation program  
42 bonds or notes issued in anticipation of such transportation program  
43 bonds, only revenues dedicated pursuant to the New Jersey  
44 Constitution, including Article VIII, Section II, paragraph 4, and  
45 deposited into the "Transportation Trust Fund Account -  
46 Subaccount for Debt Service for Transportation Program Bonds,"  
47 may be used for such payment;

1 (2) In addition, the authority may issue notes, in anticipation of  
2 the issuance of the bonds, provided that the issuance of such notes  
3 shall be subject to the bonding limitations as provided in subsection  
4 i. of this section, and the payment of such notes if issued in  
5 anticipation of the issuance of transportation program bonds shall  
6 be paid solely from revenues dedicated pursuant to the New Jersey  
7 Constitution, including Article VIII, Section II, paragraph 4, and  
8 deposited into the "Transportation Trust Fund Account -  
9 Subaccount for Debt Service for Transportation Program Bonds."  
10 The authority may also issue notes in anticipation of the receipt of  
11 appropriations, grants, reimbursements or other funds, including  
12 without limitation grants from the federal government for federal  
13 aid highways or public transportation systems, the principal of or  
14 interest on which, or both, shall be payable out of the proceeds of  
15 appropriations, grants, reimbursements or other funds, including  
16 without limitation grants from the federal government for federal  
17 aid highways or public transportation systems. Such notes shall not  
18 be subject to the bonding limitations as provided in subsection i. of  
19 this section; and

20 (3) The authority may also enter into bank loan agreements,  
21 lines of credit and other security agreements as authorized pursuant  
22 to subsection h. of section 6 of P.L.1984, c.73 (C.27:1B-6) and  
23 obtain for or on its behalf letters of credit in each case for the  
24 purpose of securing its bonds, notes or other obligations or to  
25 provide direct payment of any costs which the authority is  
26 authorized to pay by this act and to secure repayment of any  
27 borrowings under the loan agreement, line of credit, letter of credit  
28 or other security agreement by its bonds, notes or other obligations  
29 or the proceeds thereof or by any or all of the revenues of and  
30 payments to the authority or by any appropriation, grant or  
31 reimbursement to be received by the authority and other moneys or  
32 funds as the authority shall determine, provided that for any such  
33 agreements entered into in connection with transportation program  
34 bonds issued pursuant to the authorization contained in subsection i.  
35 of this section, or notes issued in anticipation of such transportation  
36 program bonds, only revenues dedicated pursuant to the New Jersey  
37 Constitution, including Article VIII, Section II, paragraph 4, and  
38 deposited into the "Transportation Trust Fund Account -  
39 Subaccount for Debt Service for Transportation Program Bonds,"  
40 may be used for such payment.

41 c. Whether or not the bonds and notes are of the form and  
42 character as to be negotiable instruments under the terms of Title  
43 12A, Commercial Transactions, New Jersey Statutes, the bonds and  
44 notes are hereby made negotiable instruments within the meaning of  
45 and for all the purposes of Title 12A of the New Jersey Statutes.

46 d. Bonds or notes of the authority shall be authorized by a  
47 resolution or resolutions of the authority and may be issued in one  
48 or more series and shall bear the date, or dates, mature at the time

1 or times, bear interest at the rate or rates of interest per annum, be  
2 in the denomination or denominations, be in the form, carry the  
3 conversion or registration privileges, have the rank or priority, be  
4 executed in the manner, be payable from the sources, in the medium  
5 of payment, at the place or places within or without the State, and  
6 be subject to the terms of redemption (with or without premium) as  
7 the resolution or resolutions may provide. Bonds or notes may be  
8 further secured by a trust indenture between the authority and a  
9 corporate trustee within or without the State. All other obligations  
10 of the authority shall be authorized by resolution containing terms  
11 and conditions as the authority shall determine.

12 e. Bonds, notes or other obligations of the authority may be  
13 sold at public or private sale at a price or prices and in a manner as  
14 the authority shall determine, either on a negotiated or on a  
15 competitive basis. Every bond, or refunding bond, issued on or after  
16 the effective date of P.L.2006, c.3 (C.27:1B-22.2 et al.) shall mature  
17 and be paid no later than 31 years from the date of the issuance of  
18 that bond or refunding bond.

19 f. Bonds or notes may be issued and other obligations incurred  
20 under the provisions of the act without obtaining the consent of any  
21 department, division, commission, board, bureau or agency of the  
22 State, other than the approval as required by subsection a. of this  
23 section, and without any other proceedings or the happening of any  
24 other conditions or other things than those proceedings, conditions  
25 or things which are specifically required by the act.

26 g. Bonds, notes and other obligations of the authority issued or  
27 incurred under the provisions of the act shall not be in any way a  
28 debt or liability of the State or of any political subdivision thereof  
29 other than the authority and shall not create or constitute any  
30 indebtedness, liability or obligation of the State or of any political  
31 subdivision or be or constitute a pledge of the faith and credit of the  
32 State or of any political subdivision, but all bonds, notes and  
33 obligations, unless funded or refunded by bonds, notes or other  
34 obligations of the authority, shall be payable solely from revenues  
35 or funds pledged or available for their payment as authorized in the  
36 act. Each bond, note or other obligation shall contain on its face a  
37 statement to the effect that the authority is obligated to pay the  
38 principal thereof or the interest thereon only from revenues or funds  
39 of the authority, and for transportation program bonds and  
40 agreements securing such transportation program bonds only from  
41 revenues dedicated pursuant to the New Jersey Constitution,  
42 including Article VIII, Section II, paragraph 4, and deposited into  
43 the "Transportation Trust Fund Account - Subaccount for Debt  
44 Service for Transportation Program Bonds," and that neither the  
45 State nor any political subdivision thereof is obligated to pay the  
46 principal or interest and that neither the faith and credit nor the  
47 taxing power of the State or any political subdivision thereof is  
48 pledged to the payment of the principal of or the interest on the

1 bonds, notes or other obligations. For the purposes of this  
2 subsection, political subdivision does not include the authority.

3 h. All expenses incurred in carrying out the provisions of the  
4 act shall be payable solely from the revenues or funds provided or  
5 to be provided under or pursuant to the provisions of the act and  
6 nothing in the act shall be construed to authorize the authority to  
7 incur any indebtedness or liability on behalf of or payable by the  
8 State or any political subdivision thereof.

9 i. Commencing with the fiscal year beginning July 1, 1995 and  
10 ending within the fiscal year beginning July 1, 2005, the authority  
11 shall not incur debt in any fiscal year in excess of \$650,000,000,  
12 except that if that permitted amount of debt, or any portion thereof,  
13 is not incurred in a fiscal year it may be incurred in a subsequent  
14 fiscal year. Commencing with the fiscal year beginning July 1, 2006  
15 and ending with the fiscal year beginning on July 1, 2010, the  
16 authority shall not incur debt for any fiscal year in excess of  
17 \$1,600,000,000, reduced in each of those fiscal years by the amount  
18 by which the appropriation of State funds to the Transportation  
19 Trust Fund Account for that fiscal year shall exceed \$895,000,000;  
20 provided, however, that if a portion of that permitted amount of  
21 debt, less any reduction as provided above, is not incurred in a  
22 fiscal year, an amount not greater than the unused portion may be  
23 incurred in a subsequent fiscal year in addition to the amount  
24 otherwise permitted. Debt permitted for the fiscal year beginning  
25 July 1, 2006 may be incurred prior to July 1, 2006. The authority  
26 shall not issue transportation program bonds in excess of  
27 \$1,247,000,000 for the fiscal year beginning July 1, 2012, in excess  
28 of \$849,200,000 for the fiscal year beginning July 1, 2013, in  
29 excess of \$735,300,000 for the fiscal year beginning July 1, 2014,  
30 and in excess of \$626,800,000 for the fiscal year beginning July 1,  
31 2015, except that (1) if that permitted amount of transportation  
32 program bonds, or any portion thereof, is not incurred in a fiscal  
33 year, it may be issued in a subsequent fiscal year and (2) 30 percent  
34 of the permitted amount of transportation program bonds for a fiscal  
35 year may be issued in the fiscal year preceding such fiscal year  
36 provided that (a) any transportation program bonds issued pursuant  
37 to this paragraph shall be deducted from the authorization for the  
38 fiscal year from which it was taken, and (b) the proceeds of any  
39 such transportation program bonds shall not be encumbered until  
40 the fiscal year from which the deduction of the authorization was  
41 taken pursuant to this paragraph. Transportation program bonds  
42 authorized to be issued for the fiscal year beginning July 1, 2012  
43 may be issued prior to July 1, 2012. Commencing on the day that  
44 Assembly Concurrent Resolution No. 1 of 2015, a constitutional  
45 amendment to Article VIII, Section II, paragraph 4 of the New  
46 Jersey Constitution, takes effect, and ending June 30, ~~2024~~ 2029,  
47 the authority shall not issue transportation program bonds in excess  
48 of ~~[\$12,000,000,000]~~ \$15,600,000,000. Any increase in this

1 limitation shall only occur if so provided for by law. In computing  
2 the foregoing limitation as to the amount of bonds the authority may  
3 issue, the authority may exclude any bonds, notes or other  
4 obligations, including subordinated obligations of the authority,  
5 issued for refunding purposes; except that, for the fiscal year  
6 beginning July 1, 2016 and thereafter, any net premiums received in  
7 connection with the issuance of transportation program bonds shall  
8 count against any limitation as to the amount of transportation  
9 program bonds the authority may issue. The payment of debt  
10 service on transportation program bonds and any agreements issued  
11 in connection with such transportation program bonds shall be paid  
12 solely from revenues dedicated pursuant to the New Jersey  
13 Constitution, including Article VIII, Section II, paragraph 4, and  
14 deposited into the "Transportation Trust Fund Account -  
15 Subaccount for Debt Service for Transportation Program Bonds."

16 j. Upon the decision by the authority to issue refunding bonds  
17 pursuant to this section, and prior to the sale of those bonds, the  
18 authority shall transmit to the Joint Budget Oversight Committee, or  
19 its successor, a report that a decision has been made, reciting the  
20 basis on which the decision was made, including an estimate of the  
21 debt service savings to be achieved and the calculations upon which  
22 the authority relied when making the decision to issue refunding  
23 bonds. The report shall also disclose the intent of the authority to  
24 issue and sell the refunding bonds at public or private sale and the  
25 reasons therefor.

26 k. The Joint Budget Oversight Committee, or its successor,  
27 shall have authority to approve or disapprove the sale of refunding  
28 bonds as included in each report submitted in accordance with  
29 subsection j. of this section. The committee shall approve or  
30 disapprove the sale of refunding bonds within 10 business days  
31 after physical receipt of the report. The committee shall notify the  
32 authority in writing of the approval or disapproval as expeditiously  
33 as possible.

34 l. No refunding bonds shall be issued unless the report has  
35 been submitted to and approved by the Joint Budget Oversight  
36 Committee, or its successor, as set forth in subsection k. of this  
37 section.

38 m. Within 30 days after the sale of the refunding bonds, the  
39 authority shall notify the Joint Budget Oversight Committee, or its  
40 successor, of the result of that sale, including the prices and terms,  
41 conditions and regulations concerning the refunding bonds, and the  
42 actual amount of debt service savings to be realized as a result of  
43 the sale of refunding bonds.

44 n. The Joint Budget Oversight Committee, or its successor,  
45 shall, however, review all information and reports submitted in  
46 accordance with this section and may, on its own initiative, make  
47 observations and recommendations to the authority or to the  
48 Legislature, or both, as it deems appropriate.

1       o. No refunding bonds shall be issued unless the authority shall  
2 first determine that the present value of the aggregate principal of  
3 and interest on the refunding bonds is less than the present value of  
4 the aggregate principal of and interest on the outstanding bonds to  
5 be refinanced, except that, for the purposes of this limitation,  
6 present value shall be computed using a discount rate equal to the  
7 yield of those refunding bonds, and yield shall be computed using  
8 an actuarial method based upon a 360-day year with semiannual  
9 compounding and upon the prices paid to the authority by the initial  
10 purchasers of those refunding bonds.

11 (cf: P.L.2016, c.56, s.2)

12

13       3. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to  
14 read as follows:

15       20. There is hereby established in the General Fund an account  
16 entitled "Transportation Trust Fund Account," which shall consist  
17 of three subaccounts entitled: "Transportation Trust Fund Account -  
18 Subaccount for Debt Service for Prior Bonds," "Transportation  
19 Trust Fund Account - Subaccount for Debt Service for  
20 Transportation Program Bonds," and "Transportation Trust Fund  
21 Account - Subaccount for Capital Reserves." During the fiscal year  
22 beginning July 1, 1984 and during each succeeding fiscal year in  
23 which the authority has bonds, notes or other obligations  
24 outstanding, the treasurer shall credit to the "Transportation Trust  
25 Fund Account - Subaccount for Debt Service for Prior Bonds" a  
26 portion of the revenues derived from the following, as determined  
27 by the treasurer, and to the "Transportation Trust Fund Account -  
28 Subaccount for Debt Service for Transportation Program Bonds"  
29 and "Transportation Trust Fund Account - Subaccount for Capital  
30 Reserves" only revenues dedicated pursuant to the New Jersey  
31 Constitution, including Article VIII, Section II, paragraph 4, which  
32 are also derived under subsection a. of this section and from the  
33 petroleum products gross receipts and sales tax as set forth in  
34 subsection d. of this section; and to the "Transportation Trust Fund  
35 Account - Subaccount for Capital Reserves," the revenues derived  
36 from the additional annual fee for zero emission vehicles, as set  
37 forth in subsection e. of this section:

38       a. An amount equivalent to all revenue derived from the  
39 collection of the tax imposed on the sale of motor fuels pursuant to  
40 chapter 39 of Title 54 of the Revised Statutes, as provided in Article  
41 VIII, Section II, paragraph 4 of the State Constitution;

42       b. (Deleted by amendment, P.L.2000, c.73).

43       c. An amount equivalent to moneys received by the State in  
44 accordance with contracts entered into with toll road authorities or  
45 other State agencies, provided that effective with the fiscal year  
46 beginning July 1, 1988 the amount so credited shall not be less than  
47 \$24,500,000 in any fiscal year.

1       The treasurer shall also credit to the "Transportation Trust Fund  
2 Account - Subaccount for Debt Service for Prior Bonds," in  
3 accordance with a contract between the treasurer and the authority,  
4 an amount equivalent to the sum of the revenues due from the  
5 increase of fees for motor vehicle registrations collected pursuant to  
6 the amendment to R.S.39:3-20 made by section 32 of P.L.1984,  
7 c.73 and from the increase in the tax on diesel fuels imposed  
8 pursuant to the amendment to R.S.54:39-27 made by section 35 of  
9 P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section  
10 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22  
11 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-  
12 103), provided that the total amount credited during the fiscal year  
13 beginning July 1, 1984 shall not be less than \$20,000,000 and that  
14 the total amount credited during the fiscal year beginning July 1,  
15 1985 and during every fiscal year thereafter shall not be less than  
16 \$30,000,000.

17       In addition to the amounts credited to the account by this section,  
18 commencing with the fiscal year beginning July 1, 1995 and every  
19 fiscal year thereafter, there shall be appropriated from the General  
20 Fund such additional amounts as are necessary to carry out the  
21 provisions of this act and beginning July 1, 2000 the fees collected  
22 pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-  
23 63) shall be credited to the account for the purposes of this act,  
24 provided, however, the amount credited from such fees during any  
25 fiscal year shall not be less than \$60,000,000.

26       d. In addition to the amount credited in subsection a. of this  
27 section: beginning January 1 following approval by the voters an  
28 amount equivalent to the revenue derived from the tax imposed on  
29 the sale of petroleum products pursuant to P.L.1990, c.42  
30 (C.54:15B-1 et seq.), provided, however, such amount shall not be  
31 less than \$100,000,000 in the period January 1 through June 30  
32 following approval by the voters and shall not be less than  
33 \$200,000,000 in any fiscal year through the fiscal year commencing  
34 July 1, 2015; and in the fiscal year commencing July 1, 2016, an  
35 amount equivalent to all revenue derived from the sale of petroleum  
36 products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in  
37 each year thereafter; and for the fiscal year commencing July 1,  
38 2001 and for each fiscal year thereafter an amount equivalent to the  
39 revenue derived from the tax imposed under the "Sales and Use Tax  
40 Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor  
41 vehicles, provided, however, that such amount shall not be less than  
42 \$200,000,000 for the fiscal year commencing July 1, 2003 and for  
43 each fiscal year thereafter, as provided in Article VIII, Section II,  
44 paragraph 4 of the State Constitution.

45       No later than the fifth business day of the month following the  
46 month in which a credit has been made, the treasurer shall pay to  
47 the authority, for its purposes as provided herein, the amounts then  
48 credited to the "Transportation Trust Fund Account - Subaccount

1 for Debt Service for Prior Bonds," "Transportation Trust Fund  
2 Account - Subaccount for Debt Service for Transportation Program  
3 Bonds," and "Transportation Trust Fund Account - Subaccount for  
4 Capital Reserves," provided that the payments to the authority shall  
5 be subject to and dependent upon appropriations being made from  
6 time to time by the Legislature of the amounts thereof for the  
7 purposes of the act, and further provided that the revenues  
8 deposited into the "Transportation Trust Fund Account -  
9 Subaccount for Debt Service for Transportation Program Bonds"  
10 and "Transportation Trust Fund Account - Subaccount for Capital  
11 Reserves" shall consist solely of revenues which are dedicated  
12 pursuant to the New Jersey Constitution, including Article VIII,  
13 Section II, paragraph 4, and subsections a. and d. of this section.

14 In the event that the amount of appropriations and other revenues  
15 made available to the authority are greater than the amount of  
16 appropriations and other revenues needed to meet the statutory  
17 purposes of the authority in a fiscal year, any of those additional  
18 amounts, which are dedicated pursuant to the New Jersey  
19 Constitution, including Article VIII, Section II, paragraph 4, and  
20 subsections a. and d. of this section, may be deposited into the  
21 "Transportation Trust Fund Account - Subaccount for Capital  
22 Reserves." Monies deposited in the "Transportation Trust Fund  
23 Account - Subaccount for Capital Reserves" shall be held in reserve  
24 as a means of ensuring the adequacy of funding to meet the future  
25 statutory needs of the authority, and may be transferred to the other  
26 subaccounts of the "Transportation Trust Fund Account" or to the  
27 "Special Transportation Fund" through appropriation by the  
28 Legislature for any statutory need of the authority.

29 e. For the fiscal year beginning July 1, 2024 and each fiscal  
30 year thereafter, an amount equivalent to the sum of all revenues  
31 derived from the imposition of an additional annual fee collected  
32 upon zero emission vehicles pursuant to section 8 of P.L. ,  
33 c. (C. ) (pending before the Legislature as this bill) shall be  
34 credited to the "Transportation Trust Fund Account - Subaccount  
35 for Capital Reserves" to be used for transportation projects. No  
36 portion of these revenues shall be appropriated to pay debt service  
37 on transportation system bonds, transportation program bonds, or  
38 any other bonds, notes or other obligations, including subordinated  
39 obligations of the authority; provided, however, if such fee  
40 revenues are dedicated pursuant to the New Jersey Constitution,  
41 including Article VIII, Section II, paragraph 4, such fee revenues  
42 may then be deposited into the "Transportation Trust Fund Account  
43 - Subaccount for Debt Service for Transportation Program Bonds"  
44 and used to pay debt service on transportation program bonds and  
45 any agreements issued in connection with such transportation  
46 program bonds.

47 (cf: P.L.2016, c.56, s.3)

1       4. Section 8 of P.L.1987, c.460 (C.27:1B-21.1) is amended to  
2 read as follows:

3       8. a. Commencing with the reports of the commissioner, which  
4 shall include the Transportation Master Plan, Statewide Capital  
5 Investment Strategy, Annual Transportation Capital Program,  
6 Transportation Trust Fund Authority Financial Plan, and Five-Year  
7 Capital Plan, as may be amended, required to be submitted pursuant  
8 to section 22 of P.L.1984, c.73 (C.27:1B-22) on or before March 1,  
9 2006 and on each succeeding March 1 thereafter through March 1,  
10 2015, the annual amount so reported by the commissioner for  
11 proposed projects shall not exceed \$1,600,000,000 exclusive of  
12 federal funds, and beginning with the reports due March 1, 2016,  
13 and on each succeeding March 1 thereafter through March 1, 2023,  
14 the amount so reported by the commissioner for proposed projects  
15 shall not exceed an aggregate \$16,600,000,000 over that eight year  
16 period, and beginning with the reports due March 1, 2024, and on  
17 each succeeding March 1 thereafter through March 1, 2028, the  
18 amount so reported by the commissioner for proposed projects shall  
19 not exceed an aggregate \$10,367,000,000 over that five-year period.

20       b. For the fiscal year beginning on July 1, 2006 and for each  
21 fiscal year thereafter through the fiscal year beginning on July 1,  
22 2011, the total annual amount authorized to be appropriated from  
23 the revenues and other nonfederal funds of the New Jersey  
24 Transportation Trust Fund Authority for the projects listed in the  
25 appropriations act pursuant to section 21 of P.L.1984, c.73  
26 (C.27:1B-21) shall not exceed \$1,600,000,000, all amounts  
27 exclusive of federal funds. The total amount authorized to be  
28 appropriated from the revenues and other nonfederal funds of the  
29 New Jersey Transportation Trust Fund Authority for the projects  
30 listed in the appropriations act pursuant to section 21 of P.L.1984,  
31 c.73 (C.27:1B-21) shall not exceed: \$1,247,000,000 for the fiscal  
32 year beginning on July 1, 2012; \$1,224,000,000 for the fiscal year  
33 beginning on July 1, 2013; \$1,225,000,000 for the fiscal year  
34 beginning on July 1, 2014; and \$1,247,000,000 for the fiscal year  
35 beginning on July 1, 2015. The total amount authorized to be  
36 appropriated from the revenues and other nonfederal funds of the  
37 New Jersey Transportation Trust Fund Authority for the projects  
38 listed in the appropriations act pursuant to section 21 of P.L.1984,  
39 c.73 (C.27:1B-21) shall not exceed an aggregate \$16,600,000,000 in  
40 total for the fiscal year beginning on July 1, 2016 through the fiscal  
41 year beginning on July 1, 2023. The total amount authorized to be  
42 appropriated from the revenues and other nonfederal funds of the  
43 New Jersey Transportation Trust Fund Authority for the projects  
44 listed in the appropriations act pursuant to section 21 of P.L.1984,  
45 c.73 (C.27:1B-21) shall not exceed:

46       (1) \$2,000,000,000 for State Fiscal Year 2025;

47       (2) \$2,000,000,000 for State Fiscal Year 2026;

1       (3) \$2,060,000,000 for State Fiscal Year 2027; provided,  
2 however, in addition to any additional set-aside required under  
3 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
4 \$60,000,000 of the amount authorized pursuant to this subsection  
5 shall be allocated as follows: 25 percent as State aid to counties for  
6 transportation projects pursuant to subsection e. of section 25 of  
7 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
8 municipalities for transportation projects pursuant to subsection c.  
9 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
10 projects of the Department of Transportation; and 25 percent for  
11 projects of the New Jersey Transit Corporation;

12       (4) \$2,122,000,000 for State Fiscal Year 2028; provided,  
13 however, in addition to any additional set-aside required under  
14 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
15 \$122,000,000 of the amount authorized pursuant to this subsection  
16 shall be allocated as follows: 25 percent as State aid to counties for  
17 transportation projects pursuant to subsection e. of section 25 of  
18 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
19 municipalities for transportation projects pursuant to subsection c.  
20 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
21 projects of the Department of Transportation; and 25 percent for  
22 projects of the New Jersey Transit Corporation; and

23       (5) \$2,185,000,000 for State Fiscal Year 2029; provided,  
24 however, in addition to any additional set-aside required under  
25 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
26 \$185,000,000 of the amount authorized pursuant to this subsection  
27 shall be allocated as follows: 25 percent as State aid to counties for  
28 transportation projects pursuant to subsection e. of section 25 of  
29 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
30 municipalities for transportation projects pursuant to subsection c.  
31 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
32 projects of the Department of Transportation; and 25 percent for  
33 projects of the New Jersey Transit Corporation.

34       c. (Deleted by amendment, P.L.1991, c.40)

35       d. (Deleted by amendment, P.L.1992, c.10)

36       e. The State Auditor shall provide for a unified annual audit of  
37 expenditures from the "Special Transportation Fund," established  
38 by section 21 of P.L.1984, c.73 (C.27:1B-21), in order to determine  
39 that these funds are expended for costs eligible for funding from the  
40 authority and in a manner consistent with appropriations made by  
41 the Legislature. The findings of such audits shall be transmitted to  
42 the presiding officer of each House of the Legislature, and to the  
43 Chair of the Senate Budget and Appropriations Committee, the  
44 Senate Transportation Committee, the Assembly Appropriations  
45 Committee, and the Assembly Transportation and Independent  
46 Authorities Committee or their successors.

47       f. The State Auditor shall review bond issuances of the  
48 authority and report to the Joint Budget Oversight Committee and

1 to the members of the Senate Budget and Appropriations  
2 Committee and the Assembly Appropriations Committee, or their  
3 successors, on the status of the bonds of the authority and projects  
4 financed from the proceeds of the bonds. The report shall include  
5 the investment status of all unexpended bond proceeds and provide  
6 a description of any bond issues expected during a fiscal year,  
7 including type of issue, estimated amount of bonds to be issued and  
8 the expected month of sale.

9 (cf: P.L.2022, c.38, s.1)

10

11 5. Section 6 of P.L.2006, c.3 (C.27:1B-22.2) is amended to  
12 read as follows:

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

26 The board shall be comprised of nine public members with  
27 experience in transportation finance and policy. The Governor shall  
28 appoint three of the members with the advice and consent of the  
29 Senate, two of whom shall be experts that perform academic  
30 research in the areas of transportation and public transportation  
31 policy, planning, or engineering, and one of whom shall be an  
32 expert in the area of transportation capital finance. The remaining  
33 members shall be appointed by the Governor as follows: two upon  
34 the recommendation of the President of the Senate, one upon the  
35 recommendation of the Minority Leader of the Senate, two upon the  
36 recommendation of the Speaker of the General Assembly, and one  
37 upon the recommendation of the Minority Leader of the General  
38 Assembly. Each member shall have a professional background in  
39 passenger rail service, freight rail management, transportation  
40 capital planning, transportation and public transportation capital  
41 construction, federal transportation policy, State transportation  
42 policy, or transportation capital finance. Each member shall serve  
43 for a four-year term and shall serve until the member's successor is  
44 appointed and qualified; provided, however, that in order to achieve  
45 non-concurrent terms, of the members first appointed pursuant to  
46 this section, two members appointed by the Governor shall serve for  
47 four years; while the three members appointed upon the  
48 recommendations of the President of the Senate and the Minority

1 Leader of the Senate and the three members appointed upon the  
2 recommendations of the Speaker of the General Assembly and the  
3 Minority Leader of the General Assembly shall serve for three years  
4 each, and the remaining member appointed by the Governor shall  
5 serve for two years; and further provided that any member serving  
6 on the effective date of P.L.2016, c.56 (C.27:1B-22.5 et al.) shall  
7 serve until the expiration of that member's term, notwithstanding  
8 the criteria for appointment established pursuant to P.L.2016, c.56  
9 (C.27:1B-22.5 et al.). The Transportation Policy Review Board  
10 shall be deemed to be constituted immediately upon appointment  
11 and qualification in the manner provided in this section of at least  
12 five members.

13 The purpose of the board is to assure fiscal discipline through  
14 evaluating the financing of transportation; independently analyzing  
15 and reporting on the cost effectiveness of spending in the  
16 transportation capital program; conducting and commissioning  
17 research on best practices in the areas of transportation and public  
18 transportation construction, planning, finance, and engineering;  
19 providing policy recommendations to the Legislature on the best  
20 ways to organize the capital program and appropriate capital  
21 program funds; and preparing an annual State of Condition of  
22 Transportation Financing certification.

23 The board shall annually appear before the Senate Budget and  
24 Appropriations Committee, or its successor, and the Assembly  
25 Budget Committee, or its successor, and provide independent  
26 analysis of the transportation capital program, provide comments on  
27 the cost effectiveness of the program, evaluate the condition of the  
28 State transportation system, and identify needed infrastructure  
29 investments. The board shall annually appear before the Senate  
30 Transportation Committee, or its successor, and the Assembly  
31 Transportation and Independent Authorities Committee, or its  
32 successor, and report on best practices and cost savings in areas  
33 related to transportation and public transportation construction,  
34 planning, finance, infrastructure, and governance. The board shall  
35 also make itself available to the aforementioned budget and  
36 transportation committees to conduct research and provide  
37 recommendations on policy issues that those committees request of  
38 the board. The board shall issue an annual report on or before June  
39 1 of each year which summarizes the work of the board for the prior  
40 year, evaluates the reports issued by the department pursuant to  
41 section 22 of P.L.1984, c.73 (C.27:1B-22), and provides  
42 independent recommendations for administering the annual capital  
43 program.

44 The board shall be provided with a budget each year to be funded  
45 through the capital program, and the budget shall be sufficient to  
46 allow the board to commission independent research from academic  
47 and other experts in the area of research to be conducted, to avail  
48 itself of any professional or consultant services necessary to

1 perform its functions, and to complete the reports and certifications  
2 required pursuant to this section.

3 The board may call to its assistance and avail itself of the  
4 services of the employees of any State, county, or municipal  
5 department, board, bureau, task force, or agency as it may require  
6 and as may be available to it for its purposes, and to employ  
7 stenographic and clerical assistance and incur traveling and other  
8 miscellaneous expenses necessary to perform its duties, within the  
9 limits of funds appropriated or otherwise made available to it for its  
10 purposes.

11 The board shall submit reports to the Governor, and to the  
12 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
13 no later than April 1, 2017 concerning the taxation of motor  
14 vehicles that are powered by a fuel source that is not subject to the  
15 motor fuels tax pursuant to P.L.2010, c.22 (C.54:39-101 et seq.) or  
16 the petroleum products gross receipts tax pursuant to P.L.1990, c.42  
17 (C.54:15B-1 et seq.), including, but not limited to electric vehicles  
18 and hydrogen fuel cell vehicles. The report required pursuant to this  
19 subsection shall include recommendations to the Legislature for a  
20 new system of taxation that mandates that all vehicles operating on  
21 the highways of this State contribute equitably to the cost of  
22 maintaining the State transportation system.

23 The State of Condition of Transportation Financing certification  
24 shall ensure that the financing and expenditures of the New Jersey  
25 Transportation Trust Fund Authority (the "authority") adhere to  
26 certain standards. The standards are: a. The bonding limitation as  
27 provided in subsection i. of section 9 of P.L.1984, c.73 (C.27:1B-9).  
28 b. For the fiscal year commencing July 1, 2007, the amount  
29 expended from the revenues and other funds of the authority for  
30 permitted maintenance shall not exceed the amount expended for  
31 permitted maintenance in the fiscal year commencing July 1, 2006.  
32 c. The total amount authorized to be appropriated from the revenues  
33 and other funds of the authority for project costs commencing with  
34 the fiscal year beginning July 1, 2007 through the fiscal year  
35 beginning July 1, 2015 shall not exceed \$1,600,000,000 annually,  
36 and for the fiscal year beginning on July 1, 2016 through the fiscal  
37 year beginning on July 1, 2023 shall not exceed an aggregate  
38 \$16,000,000,000 over that eight-year period, and for the fiscal year  
39 beginning on July 1, 2024 through the fiscal year beginning on July  
40 1, 2028 shall not exceed an aggregate \$10,367,000,000 over that  
41 five-year period.

42 Commencing with the fiscal year beginning July 1, 2007, the  
43 board shall submit to the Governor, the Legislature, and the  
44 commissioner on an annual basis the State of Condition of  
45 Transportation Financing certification as to the requirements of  
46 certification standard a. referencing therein a certification with  
47 regard to certification standards b. and c. to the extent feasible,  
48 given the other provisions of this section. The certifications shall be

1 based on the board's review of the State's fiscal year final  
2 expenditures from the preceding fiscal year, including bonding and  
3 expenditures from the annual independent audit of the authority,  
4 and the amount of authority funds programmed for permitted  
5 maintenance. If the capital program and its financing are found to  
6 be in compliance, the first annual certification required by this  
7 paragraph shall be submitted by February 1, 2008, after the  
8 certification is concurred with by the members of the authority, and  
9 by February 1 of each year thereafter. The board shall advise the  
10 commissioner and the authority on February 1, 2008 and on each  
11 succeeding February 1, if the board finds that the authority is not in  
12 compliance with the bonding requirements as provided in  
13 certification standard a. of the section, and that a corrective action  
14 plan is needed. The authority shall submit a corrective action plan  
15 that would reduce its future bond sales to offset the amount of  
16 excess bonding or to reduce future debt service payments, or both,  
17 as the case may be. Upon approval of the corrective action plan by  
18 the board, the certification shall be issued with certain conditions.  
19 The Annual Transportation Capital Program submitted to the  
20 Legislature for the forthcoming year shall be in compliance with the  
21 provisions of the corrective action plan. If the board does not  
22 approve the corrective action plan, the authority shall submit a  
23 financial plan showing bonding only for existing projects, noting  
24 that no bonds shall be issued for new projects shown in the  
25 department's Annual Transportation Capital Program. The board  
26 shall advise the commissioner on February 1, 2008 and on each  
27 succeeding February 1, if the board finds that the Department of  
28 Transportation has exceeded the limitation for the amount of  
29 authority funds spent on permitted maintenance pursuant to  
30 certification standard b. of this section, or for the amount authorized  
31 to be appropriated for project costs pursuant to certification  
32 standard c. of this section and that a corrective action plan is  
33 needed. The department shall submit a corrective action plan that  
34 would offset the excess amount spent, or the excess amount  
35 appropriated, in the prior year with less funding for permitted  
36 maintenance or for projects, as the case may be, in the proposed  
37 capital budget request. Upon approval of the corrective action plan  
38 by the board, a certification as to these matters shall be issued with  
39 certain conditions. The Annual Transportation Capital Program  
40 submitted to the Legislature for the forthcoming year shall be in  
41 compliance with the provisions of the corrective action plan. If the  
42 board does not approve the corrective action plan, the authority  
43 shall submit a financial plan showing bonding only for existing  
44 projects, noting that no bonds shall be issued for new projects  
45 shown in the department's Annual Transportation Capital Program.  
46 (cf: P.L.2016, c.56, s.7)

1       6. Section 25 of P.L.1984, c.73 (C.27:1B-25) is amended to  
2 read as follows:

3       25. a. Notwithstanding the provisions of subtitle 4 of Title 27 of  
4 the Revised Statutes and P.L.1946, c.301 (C.27:15A-1 et seq.), the  
5 commissioner may, pursuant to appropriations or authorizations  
6 being made from time to time by the Legislature according to law,  
7 allocate to counties and municipalities funds for the planning,  
8 acquisition, engineering, construction, reconstruction, repair,  
9 resurfacing and rehabilitation of public highways and the planning,  
10 acquisition, engineering, construction, reconstruction, repair,  
11 maintenance and rehabilitation of public transportation projects and  
12 of other transportation projects which a county or municipality may  
13 be authorized by law to undertake.

14       b. The commissioner shall, pursuant to appropriations or  
15 authorizations being made from time to time by the Legislature  
16 according to law, allocate at his discretion State aid to counties and  
17 municipalities for transportation projects, except that the amount to  
18 be appropriated for this program shall be seven percent of the total  
19 amount appropriated pursuant to subsection d. of this section. This  
20 State aid shall be set aside prior to any formula allocations provided  
21 for in subsections c., d., e., f., and g. of this section, and shall be  
22 known as the "Local Aid Infrastructure Fund." In the fiscal year  
23 commencing July 1, 2016, any amount appropriated to the Local  
24 Aid Infrastructure Fund above \$7,500,000 shall be deposited into  
25 the State Transportation Infrastructure Bank Fund, established  
26 pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4).

27       c. The commissioner shall, pursuant to appropriations or  
28 authorizations being made from time to time by the Legislature  
29 according to law and pursuant to the provisions of subsections b.  
30 and d. of this section, allocate State aid to municipalities for public  
31 highways under their jurisdiction. The amount to be appropriated  
32 shall be allocated on the basis of the following distribution factor:

$$33 \qquad \qquad \qquad \text{Pc} \qquad \qquad \text{Cm}$$

$$34 \qquad \text{DF} = \qquad \frac{\quad}{\text{Ps}} \qquad + \qquad \frac{\quad}{\text{Sm}}$$

$$35 \qquad \qquad \qquad \text{Ps} \qquad \qquad \text{Sm}$$

36       where, DF equals the distribution factor

37       Pc equals county population

38       Ps equals State population

39       Cm equals municipal road mileage within the county

40       Sm equals municipal road mileage within the State.

41       After the amount of aid has been allocated based on the above  
42 formula, the commissioner shall determine priority for the funding  
43 of municipal projects within each county, based upon criteria  
44 relating to volume of traffic, safety considerations, growth  
45 potential, readiness to obligate funds, and local taxing capacity. In  
46 addition to the above criteria used in determining priority of  
47 funding of municipal projects in each county, the commissioner  
48 shall consider whether a project is intended to remedy hazardous

1 conditions as identified for the purposes of providing transportation  
2 pursuant to N.J.S.18A:39-1.2 for school pupils or to improve  
3 pedestrian safety.

4 For the purposes of this subsection, (1) "population" means the  
5 official population count as reported by the New Jersey Department  
6 of Labor and Workforce Development; and (2) "municipal road  
7 mileage" means that road mileage under the jurisdiction of  
8 municipalities, as determined by the department.

9 d. There shall be appropriated at least \$175,000,000 for each  
10 fiscal year commencing July 1, 2006 through the fiscal year  
11 commencing July 1, 2015, and \$400,000,000 for each fiscal year  
12 commencing July 1, 2016 and for each fiscal year thereafter, for the  
13 purposes provided herein and in subsections b., c., e., f., and g. of  
14 this section. (1) Of that appropriation, the commissioner shall  
15 allocate 37.5 percent of the total appropriation as State aid for  
16 municipalities pursuant to the provisions of subsection c. of this  
17 section, provided that \$5,000,000 for each fiscal year commencing  
18 July 1, 2006 through the fiscal year commencing July 1, 2015, and  
19 \$10,000,000 for each fiscal year commencing July 1, 2016 and for  
20 each fiscal year thereafter of the amount allocated as State aid for  
21 municipalities shall be set aside and sub-allocated as State aid to  
22 any municipality qualifying for aid pursuant to the provisions of  
23 P.L.1978, c.14 (C.52:27D-178 et seq.). The commissioner shall  
24 allocate the aid to each municipality in the same proportion that the  
25 municipality receives aid under P.L.1978, c.14 (C.52:27D-178 et  
26 seq.). (2) The commissioner shall allocate 37.5 percent of the total  
27 appropriation pursuant to the provisions of subsection e. of this  
28 section for the Local County Aid Program. (3) The commissioner  
29 shall allocate seven percent of the total appropriation pursuant to  
30 the provisions of subsection b. of this section for the "Local Aid  
31 Infrastructure Fund." (4) The commissioner shall allocate seven  
32 percent of the appropriation pursuant to the provisions of subsection  
33 f. of this section for the "Local Freight Impact Fund." (5) The  
34 remaining 11 percent of the appropriation shall be allocated  
35 pursuant to the provisions of subsection g. of this section for the  
36 "Local Bridges Fund."

37 The amount of funds allocated as State aid for counties and  
38 municipalities, pursuant to paragraphs (3), (4), and (5) of subsection  
39 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1), shall be in  
40 addition to the amount of any appropriation required pursuant to  
41 this subsection and shall not be subject to any formula allocation  
42 provided for in this subsection, and which amounts shall be  
43 allocated as follows:

44 Of the amounts allocated pursuant to paragraph (3) of subsection  
45 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
46 Year 2027, \$15,000,000 shall be allocated as State aid to counties  
47 for transportation projects pursuant to subsection e. of this section,

1 and \$15,000,000 shall be allocated as State aid to municipalities for  
2 transportation projects pursuant to subsection c. of this section;

3 Of the amounts allocated pursuant to paragraph (4) of subsection  
4 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
5 Year 2028, \$30,500,000 shall be allocated as State aid to counties  
6 for transportation projects pursuant to subsection e. of this section,  
7 and \$30,500,000 shall be allocated as State aid to municipalities for  
8 transportation projects pursuant to subsection c. of this section; and

9 Of the amounts allocated pursuant to paragraph (5) of subsection  
10 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
11 Year 2029, \$46,250,000 shall be allocated as State aid to counties  
12 for transportation projects pursuant to subsection e. of this section,  
13 and \$46,250,000 shall be allocated as State aid to municipalities for  
14 transportation projects pursuant to subsection c. of this section.

15 e. The commissioner may, pursuant to appropriations or  
16 authorizations being made from time to time by the Legislature  
17 according to law, allocate additional funding to the Local County  
18 Aid Program for public highway projects, in accordance with a  
19 formula similar to that provided for in subsection c. of this section,  
20 except that Cm equals road mileage under county jurisdiction and  
21 Sm equals total county road mileage within the State.

22 f. The commissioner shall, pursuant to appropriations or  
23 authorizations being made from time to time by the Legislature  
24 according to law, allocate at the commissioner's discretion, State aid  
25 to counties and municipalities for transportation projects that  
26 address the impacts of freight travel in local communities and on  
27 local transportation infrastructure, except that the amount to be  
28 appropriated for this program shall be seven percent of the total  
29 amount appropriated pursuant to subsection d. of this section. This  
30 State aid shall be set aside prior to any formula allocations provided  
31 for in subsections c., d., e., and g. of this section, and shall be  
32 known as the "Local Freight Impact Fund."

33 g. The commissioner shall, pursuant to appropriations or  
34 authorizations being made from time to time by the Legislature  
35 according to law, allocate at the commissioner's discretion, State aid  
36 to counties and municipalities for transportation projects that  
37 address the condition of bridges under the jurisdiction of counties  
38 with an emphasis on repair and reconstruction of those with the  
39 greatest structural deficiencies, except that the amount to be  
40 appropriated for this program shall be 11 percent of the total  
41 amount appropriated pursuant to subsection d. of this section. This  
42 State aid shall be set aside prior to any formula allocations provided  
43 for in subsections c., d., e., and f. of this section, and shall be  
44 known as the "Local Bridges Fund."

45 (cf: P.L.2016, c.56, s.9)

46

47 7. Section 3 of P.L.1990, c.42 (C.54:15B-3) is amended to read  
48 as follows:

1       3. a. (1) (a) There is imposed on each company which is  
2 engaged in the refining or distribution, or both, of petroleum  
3 products other than highway fuel and aviation fuel and which  
4 distributes such products in this State a tax at the rate of seven  
5 percent of its gross receipts derived from the first sale of petroleum  
6 products within this State and there is imposed on each company  
7 which is engaged in the refining or distribution, or both, of highway  
8 fuel a tax at the rate of 12.85 percent, as adjusted pursuant to  
9 **【subsection】** subsections c. and d. of this section, of its gross  
10 receipts derived from the first sale of those products within this  
11 State.

12       (b) The applicable tax rate for gasoline, blended fuel that  
13 contains gasoline or is intended for use as gasoline, and liquefied  
14 petroleum gas, which are taxed as a highway fuel pursuant to  
15 subparagraph (a) of this paragraph, shall be converted to a cents-  
16 per-gallon rate, rounded to the nearest tenth of a cent, and adjusted  
17 quarterly by the director, effective on July 1, October 1, January 1,  
18 and April 1, based on the average retail price per gallon of unleaded  
19 regular gasoline in the State, as determined in the most recent  
20 survey of the retail price per gallon of gasoline that includes a  
21 Statewide representative random sample conducted by the Board of  
22 Public Utilities, Office of the Economist, or its successor.

23       (c) The cents-per-gallon rate determined pursuant to  
24 subparagraph (b) of this paragraph shall not be less than the rate  
25 determined for the average retail price per gallon of unleaded  
26 gasoline in the State on July 1, 2016.

27       (d) The applicable tax rate for diesel fuel, blended fuel that  
28 contains diesel fuel or is intended for use as diesel fuel, and  
29 kerosene, other than aviation grade kerosene, which are taxed as a  
30 highway fuel pursuant to subparagraph (a) of this paragraph, shall  
31 be converted to a cents-per-gallon rate, rounded to the nearest tenth  
32 of a cent, and adjusted quarterly by the director, effective on July 1,  
33 October 1, January 1, and April 1, based on the average retail price  
34 per gallon of number 2 diesel in the State, as determined in the most  
35 recent survey of retail diesel fuel prices that includes a Statewide  
36 representative random sample conducted by the Board of Public  
37 Utilities, Office of the Economist, or its successor.

38       Notwithstanding the provisions of subparagraph (a) of this  
39 paragraph to the contrary, for the period from the 2016  
40 implementation date through December 31, 2016, no rate of tax  
41 shall be applied to diesel fuel, blended fuel that contains diesel fuel  
42 or is intended for use as diesel fuel, or kerosene, other than aviation  
43 grade kerosene; for the period from January 1, 2017 through June  
44 30, 2017, the applicable rate for those fuels shall be 70 percent of  
45 the rate otherwise determined pursuant to subparagraph (a) of this  
46 paragraph, and for July 1, 2017 and thereafter the applicable rate for  
47 those fuels determined pursuant to subparagraph (a) of this  
48 paragraph.

1 (e) The cents-per-gallon rate determined pursuant to  
2 subparagraph (d) of this paragraph shall not be less than the rate  
3 determined for the average retail price per gallon of number 2 diesel  
4 in the State on July 1, 2016.

5 (f) The applicable tax rate for fuel oil determined pursuant to  
6 subparagraph (a) of this paragraph shall be converted to a cents-per-  
7 gallon rate, rounded to the nearest tenth of a cent, and adjusted  
8 quarterly by the director, effective on July 1, October 1, January 1,  
9 and April 1, to reflect the average price per gallon, without State or  
10 federal tax included, of retail sales of number 2 fuel oil in the State,  
11 as determined in the most recent survey of retail diesel fuel prices  
12 that included a Statewide representative random sample conducted  
13 by the Board of Public Utilities, Office of the Economist, or its  
14 successor.

15 (g) The cents-per-gallon rate determined pursuant to  
16 subparagraph (f) of this paragraph shall not be less than the rate  
17 determined for the average price per gallon, without State or federal  
18 tax included, of retail sales of number 2 fuel oil in the State on July  
19 1, 2016.

20 (h) **【**On and after the 10th day following a certification by the  
21 review council pursuant to subsection c. of section 19 of P.L.2016,  
22 c.57 (C.52:18A-257), no tax shall be imposed pursuant to this  
23 paragraph.**】** (Deleted by amendment, P.L. , c. ) (pending before  
24 the Legislature as this bill)

25 (2) (a) In addition to the tax, if any, imposed by paragraph (1) of  
26 this subsection, a cents-per-gallon tax is imposed on each  
27 company's gross receipts derived from the first sale of petroleum  
28 products within this State on gasoline, blended fuel that contains  
29 gasoline or that is intended for use as gasoline, liquefied petroleum  
30 gas, and aviation fuel at the rate of four cents per gallon; and

31 (b) In addition to the tax, if any, imposed by paragraph (1) of  
32 this subsection, a cents-per-gallon tax is imposed on each  
33 company's gross receipts derived from the first sale of petroleum  
34 products within this State on diesel fuel, blended fuel that contains  
35 diesel fuel or is intended for use as diesel fuel, and kerosene, other  
36 than aviation grade kerosene, at the rate of four cents per gallon  
37 before July 1, 2017 and at the rate of eight cents per gallon on and  
38 after July 1, 2017.

39 b. There is imposed on each company that imports or causes to  
40 be imported, other than by a company subject to and having paid  
41 the tax on those imported petroleum products that have generated  
42 gross receipts taxable under subsection a. of this section, petroleum  
43 products for use or consumption by it within this State a tax at the  
44 rate or rates, determined pursuant to subsection a. of this section, on  
45 the consideration given or contracted to be given and the gallonage  
46 for such petroleum products if the consideration given or contracted  
47 to be given for all such deliveries made during a quarterly period  
48 exceeds \$5,000.

1 c. (1) For State fiscal years 2018 through **2026** 2024, the rate  
2 of tax imposed on highway fuel pursuant to subsection a. of this  
3 section shall be adjusted annually so that the total revenue derived  
4 from highway fuel shall not exceed the highway fuel cap amount.

5 (2) The State Treasurer shall, on or before December 31, 2016,  
6 determine the highway fuel cap amount as the sum of:

7 (a) the taxes collected for State Fiscal Year 2016 pursuant to  
8 paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010,  
9 c.22 (C.54:39-103) on highway fuel,

10 (b) the amount derived from taxing the gallonage of highway  
11 fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of  
12 four cents per gallon, and

13 (c) the amount that would have been derived from taxing the  
14 gallonage of highway fuel subject to motor fuel tax in State Fiscal  
15 Year 2016 at the rate of 23 cents per gallon.

16 (3) On or before August 15 of each State Fiscal Year following  
17 State Fiscal Year 2017 through State Fiscal Year 2024, and on or  
18 before November 15 of each State Fiscal Year beginning in State  
19 Fiscal Year 2025, the State Treasurer and the Legislative Budget  
20 and Finance Officer shall determine the total revenue derived from:

21 (a) the taxes collected for the prior State Fiscal Year pursuant to  
22 paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010,  
23 c.22 (C.54:39-103) on highway fuel,

24 (b) the revenue that would be derived from imposing the tax  
25 pursuant to paragraph (2) of subsection a. of this section on  
26 highway fuel at the rate of four cents per gallon, and

27 (c) the revenue derived from the taxation of highway fuel  
28 pursuant to paragraph (1) of subsection a. of this section.

29 (4) **Upon** Commencing in State Fiscal Year 2017 and ending  
30 in State Fiscal Year 2024, upon consideration of the result of the  
31 determination pursuant to paragraph (3) of this subsection, and  
32 consultation with the Legislative Budget and Finance Officer, the  
33 State Treasurer shall determine the rate of tax to be imposed on  
34 highway fuel pursuant to subsection a. of this section that will result  
35 in revenue from:

36 (a) the taxes collected on highway fuel for the current State  
37 Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of  
38 section 3 of P.L.2010, c.22 (C.54:39-103),

39 (b) the revenue derived from the tax imposed pursuant to  
40 paragraph (2) of subsection a. of this section on highway fuel at the  
41 rate of four cents per gallon for the current State Fiscal Year, and

42 (c) the revenue derived from the taxation of highway fuel  
43 pursuant to paragraph (1) of subsection a. of this section equaling  
44 the highway fuel cap amount determined pursuant to paragraph (2)  
45 of this subsection, as adjusted pursuant to paragraph (5) of this  
46 subsection; and that rate shall take effect on October 1 of that year.

47 (5) **If** Commencing in State Fiscal Year 2017 and ending in  
48 State Fiscal Year 2024, if the actual revenue determined pursuant to

1 paragraph (3) of this subsection exceeds the highway fuel cap  
2 amount determined pursuant to paragraph (2) of this subsection,  
3 then the highway fuel cap amount for the succeeding year shall be  
4 decreased by the amount of the excess in setting the rate pursuant to  
5 paragraph (4) of this subsection. If the actual revenue determined  
6 pursuant to paragraph (3) of this subsection is less than the highway  
7 fuel cap amount determined pursuant to paragraph (2) of this  
8 subsection, then the highway fuel cap amount for the succeeding  
9 year shall be increased by the amount of the shortfall in setting the  
10 rate pursuant to paragraph (4) of this subsection.

11 d. (1) For State fiscal years 2025 through 2029, the rate of tax  
12 imposed on highway fuel pursuant to subsection a. of this section  
13 shall be adjusted annually so that the total revenue derived from  
14 highway fuel shall not exceed the highway fuel cap amount  
15 determined pursuant to paragraph (2) of this subsection.

16 (2) The highway fuel cap amount in effect for State fiscal years  
17 2025 through 2029 shall be adjusted so that the total revenue  
18 derived from highway fuel shall equal:

19 (a) for State Fiscal Year 2025, \$2,032,000,000;

20 (b) for State Fiscal Year 2026, \$2,115,000,000;

21 (c) for State Fiscal Year 2027, \$2,199,000,000;

22 (d) for State Fiscal Year 2028, \$2,282,000,000; and

23 (e) for State Fiscal Year 2029, \$2,366,000,000.

24 (3) Commencing in State Fiscal Year 2025, upon consideration  
25 of the result of the determination pursuant to paragraph (3) of  
26 subsection c. of this section, and consultation with the Legislative  
27 Budget and Finance Officer, the State Treasurer shall determine the  
28 rate of tax to be imposed on highway fuel pursuant to subsection a.  
29 of this section that will result in revenue from:

30 (a) the taxes collected on highway fuel for the current State  
31 Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of  
32 section 3 of P.L.2010, c.22 (C.54:39-103),

33 (b) the revenue derived from the tax imposed pursuant to  
34 paragraph (2) of subsection a. of this section on highway fuel at the  
35 rate of four cents per gallon for the current State Fiscal Year, and

36 (c) the revenue derived from the taxation of highway fuel  
37 pursuant to paragraph (1) of subsection a. of this section equaling  
38 the highway fuel cap amount determined pursuant to paragraph (2)  
39 of this subsection, as adjusted pursuant to paragraph (4) of this  
40 subsection; and that rate shall take effect on January 1 of that year.

41 (4) Commencing in State Fiscal Year 2025, if the actual revenue  
42 determined pursuant to paragraph (3) of subsection c. of this section  
43 is less than the highway fuel cap amount determined pursuant to  
44 paragraph (2) of this subsection, then the highway fuel cap amount  
45 determined pursuant to paragraph (2) of this subsection for the  
46 succeeding year shall be increased by the amount of the shortfall in  
47 setting the rate pursuant to paragraph (3) of this subsection. If the  
48 actual revenue determined pursuant to paragraph (3) of subsection

1 c. of this section exceeds the highway fuel cap amount determined  
2 pursuant to paragraph (2) of this subsection, then the highway fuel  
3 cap amount for the succeeding year shall be decreased by the  
4 amount of the excess in setting the rate pursuant to paragraph (3) of  
5 this subsection.

6 (cf: P.L.2016, c.57, s.14)

7  
8 8. (New section) a. In addition to the registration fees  
9 imposed pursuant to Article 2 of chapter 3 of Title 39 of the  
10 Revised Statutes:

11 (1) beginning July 1, 2024 and ending June 30, 2025, the Chief  
12 Administrator of the Motor Vehicle Commission shall impose and  
13 collect an additional annual fee of \$250 upon every zero emission  
14 vehicle to be registered;

15 (2) beginning July 1, 2025 and ending June 30, 2026, the Chief  
16 Administrator of the Motor Vehicle Commission shall impose and  
17 collect an additional annual fee of \$260 upon every zero emission  
18 vehicle to be registered;

19 (3) beginning July 1, 2026 and ending June 30, 2027, the Chief  
20 Administrator of the Motor Vehicle Commission shall impose and  
21 collect an additional annual fee of \$270 upon every zero emission  
22 vehicle to be registered;

23 (4) beginning July 1, 2027 and ending June 30, 2028, the Chief  
24 Administrator of the Motor Vehicle Commission shall impose and  
25 collect an additional annual fee of \$280 upon every zero emission  
26 vehicle to be registered; and

27 (5) beginning July 1, 2028, and for each year thereafter, the  
28 Chief Administrator of the Motor Vehicle Commission shall impose  
29 and collect an additional annual fee of \$290 upon every zero  
30 emission vehicle to be registered.

31 b. The fee established pursuant to subsection a. of this section  
32 shall accrue and shall be collectible upon each zero emission  
33 vehicle under the same circumstances and shall be payable in the  
34 same manner and times as apply to vehicle registrations under the  
35 provisions of Article 2 of chapter 3 of Title 39 of the Revised  
36 Statutes; provided, the fee shall be paid in full for the then current  
37 year at the time any zero emission vehicle is first registered in a  
38 calendar year.

39 c. Fees collected pursuant to subsection a. of this section shall  
40 be credited to the "Transportation Trust Fund Account," established  
41 pursuant to section 20 of P.L.1984, c.73 (C.27:1B-20), in  
42 accordance with the provisions of subsection e. of section 20 of  
43 P.L.1984, c.73 (C.27:1B-20).

44 d. As used in this section, "zero emission vehicle" means a  
45 vehicle certified as a zero emission vehicle pursuant to the  
46 California Air Resources Board zero emission vehicle standards for  
47 the applicable model year, but shall not include any other type of  
48 vehicle that may be delivered by a manufacturer for sale or lease to

1 satisfy the zero emission vehicle requirement established by the  
2 California Air Resources Board in lieu of a vehicle that qualifies as  
3 a pure zero emission vehicle.

4  
5 9. Section 19 of P.L.2016, c.57 (C.52:18A-257) is repealed.

6  
7 10. This act shall take effect immediately.

8  
9  
10 STATEMENT

11  
12 This bill amends the “New Jersey Transportation Trust Fund  
13 Authority Act of 1984” to make changes necessary to support the  
14 State’s Annual Transportation Capital Program for Fiscal Years  
15 2025 through 2029. These changes also revise the rate of tax  
16 imposed on highway fuels under the Petroleum Products Gross  
17 Receipts Tax and establish an additional annual fee for zero  
18 emission vehicles from which all revenues would be dedicated to  
19 the Transportation Trust Fund (TTF).

20  
21 *Transportation Trust Fund Authority Renewal*

22 The bill extends and increases the New Jersey Transportation  
23 Trust Fund Authority’s (authority) existing authorization to issue  
24 transportation program bonds. Under current law, the authority is  
25 authorized to issue such transportation program bonds as are  
26 necessary to fund the Annual Transportation Capital Program, in an  
27 amount not to exceed \$12 billion, through June 30, 2024. The bill  
28 extends this authorization through June 30, 2029 and increases the  
29 authority’s existing aggregate bonding capacity to \$15.6 billion.

30 The bill authorizes \$10.367 billion in capital program  
31 expenditures for a five-year period from Fiscal Year 2025 through  
32 Fiscal Year 2029. Specifically, this bill allows for an average  
33 annual capital program size of \$2 billion from Fiscal Year 2025  
34 through Fiscal Year 2029. However, during Fiscal Years 2027,  
35 2028, and 2029, the bill requires certain amounts appropriated in  
36 excess of \$2 billion to be allocated to counties, municipalities, the  
37 Department of Transportation, and the New Jersey Transit  
38 Corporation for transportation projects.

39 Under current law, the authority is required to count premiums,  
40 and not bond discounts, against its authorized bonding capacity for  
41 transportation program bonds. This bill provides that for Fiscal  
42 Year 2016 and thereafter, any net premiums received by the  
43 authority in connection with the issuance of transportation program  
44 bonds are to be counted against the authority’s authorized bonding  
45 capacity. This change allows the authority to account for the value  
46 of remaining bond premiums after subtracting the value of bond  
47 discounts in blended bond issuances when adjusting its bonding  
48 capacity after issuing transportation program bonds.

1 *Revision to Rate-Setting Procedure for Determining PPGRT Rate*

2 Under current law, the rate of tax imposed under the Petroleum  
3 Products Gross Receipts Tax (PPGRT) is annually adjusted by the  
4 State Treasurer to ensure that the State realizes a statutorily  
5 prescribed revenue target, more commonly referred to as the  
6 “highway fuel cap,” based on 2016 collections of highway fuel  
7 taxes. The cap amount is based on the Fiscal Year 2016 sum of:  
8 (1) the taxes collected on the 12.48 percent and four cent tax rates  
9 for highway fuels taxes, (2) the amount derived from taxing the  
10 gallonage of highway fuel subject to the four cent motor fuel tax,  
11 and (3) the amount that would have been derived from taxing the  
12 gallonage of highway fuel subject to the motor fuel tax at a rate of  
13 23 cents per gallon. All revenues collected are deposited into the  
14 TTF to support transportation infrastructure projects and debt  
15 service on transportation bonds. This annual adjustment  
16 mechanism is currently set to expire at the conclusion of State  
17 Fiscal Year 2026.

18 The bill would modify this mechanism, beginning with Fiscal  
19 Year 2025, to gradually raise the highway fuel cap amount through  
20 Fiscal Year 2029. The amount of revenue required to be collected  
21 on highway fuel would be as follows: \$2,032,000,000 in Fiscal  
22 Year 2025; \$2,115,000,000 in Fiscal Year 2026; \$2,199,000,000 in  
23 Fiscal Year 2027; \$2,282,000,000 in Fiscal year 2028; and  
24 \$2,366,000,000 in Fiscal Year 2029. If the actual revenues  
25 generated fall above or below the highway fuel cap amount set for  
26 the fiscal year, the rate of tax would be adjusted accordingly to  
27 ensure the highway fuel cap amount is realized.

28 The bill also provides that after the State Treasurer has  
29 determined the rate of tax pursuant to the bill, the new rate would  
30 take effect on January 1 of Fiscal Year 2025 through Fiscal Year  
31 2029 rather than October 1, as is done under current law.

32

33 *Abolishment of the Review Council*

34 The bill would also abolish the three-member review council  
35 tasked with monitoring the implementation of the PPGRT. The  
36 review council is currently composed of the State Treasurer, the  
37 Legislative Budget and Finance Officer, and a public member  
38 jointly selected by the other two members. Under current law,  
39 following any legislative action that halts, delays, or reverses  
40 implementation of changes to the PPGRT as enacted in 2016, the  
41 review council is required to certify whether the scheduled  
42 implementation of the 2016 changes to the tax have been impeded.

43

44 *Additional Fee for Zero Emission Vehicles*

45 The bill also institutes an additional fee for zero emission  
46 vehicles registered in the State. The fee would be collected by the  
47 Chief Administrator of the Motor Vehicle Commission at the same  
48 time the vehicle is initially registered or renewed, as the case may

1 be. Beginning on July 1, 2024, the amount of the fee would be  
2 \$250 and increase by \$10 on July 1 of each year until 2028. After  
3 that time, the amount of the fee would be set at \$290.

4 A “zero emission vehicle” is defined under the bill as a vehicle  
5 certified by the California Air Resources Board or a vehicle that  
6 satisfies zero emission vehicle standards for the applicable model  
7 year. Vehicles that are produced in lieu of satisfying zero emission  
8 vehicle requirements would not be subject to the additional fee.

9 These additional fees would be credited to the “Transportation  
10 Trust Fund Account - Subaccount for Capital Reserves” to support  
11 transportation projects. However, the bill specifies that these  
12 collections may not be used to pay debt service on transportation  
13 system bonds, transportation program bonds, or any other bonds,  
14 notes or other obligations, including subordinated obligations of the  
15 authority until such time as these revenues may be constitutionally  
16 dedicated to the TTF.

17

18

19

20

21 \_\_\_\_\_  
22 Revises “New Jersey Transportation Trust Fund Authority Act,”  
23 revises calculation of gas tax rate, and establishes annual fee for  
zero emission vehicles.

## CHAPTER 7

**AN ACT** concerning the financing and construction of transportation infrastructure in the State, revising various parts of the statutory law, and supplementing Title 39 of the Revised Statutes.

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

1. Section 3 of P.L.1984, c.73 (C.27:1B-3) is amended to read as follows:

### C.27:1B-3 Definitions.

3. The following words or terms as used in this act shall have the following meaning unless a different meaning clearly appears from the context:

"Act" means this New Jersey Transportation Trust Fund Authority Act of 1984 as amended and supplemented.

"Authority" means the New Jersey Transportation Trust Fund Authority created by section 4 of this act.

"Bonds" means bonds issued by the authority pursuant to the act and includes prior bonds and transportation program bonds.

"Circle of Mobility" means an essential group of related transit projects that include (1) the New Jersey Urban Core Project, as defined in section 3031 of the "Intermodal Surface Transportation Efficiency Act of 1991," Pub.L.102-240, and consisting of the following elements: Secaucus Transfer, Kearny Connection, Waterfront Connection, Northeast Corridor Signal System, Hudson River Waterfront Transportation System, Newark-Newark International Airport-Elizabeth Transit Link, a rail connection between Penn Station Newark and Broad Street Station, Newark, New York Penn Station Concourse, and the equipment needed to operate revenue service associated with improvements made by the project, and (2) the modification and reconstruction of the West Shore Line in Bergen County connected to Allied Junction/Secaucus Transfer Meadowlands Rail Center; the construction of a rail station and associated components at the Meadowlands Sports Complex; the modification and reconstruction of the Susquehanna and Western Railway, as defined and provided in section 3035 (a) of the "Intermodal Surface Transportation Efficiency Act of 1991"; the modification and reconstruction of the Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex and Warren Counties to the North Jersey Transportation Rail Centers; and commuter rail service in the central New Jersey region terminating at the proposed Lakewood Transportation Center in Ocean County or other location, as determined by the Board of the New Jersey Transit Corporation, pursuant to a resolution of the board providing for the achievement of a consensus among the interested parties as to the direction of the proposed rail line; provided, however, that this 2000 amendatory act shall not be construed as affecting any priorities which may have been assigned to any other project in the Circle of Mobility.

"Commissioner" means the Commissioner of Transportation.

"Department" means the Department of Transportation.

"Federal aid highway" means any highway within the State in connection with which the State receives payment or reimbursement from the federal government under the terms of Title 23, United States Code or any amendment, successor, or replacement thereof, for the purposes contained in the act.

"Federal government" means the United States of America, and any office, department, board, commission, bureau, division, corporation, agency, or instrumentality thereof.

"New Jersey Highway Authority" means the public corporation created by section 4 of P.L.1952, c.16 (C.27:12B-4) or its successor.

"New Jersey Turnpike Authority" means the public corporation created by section 3 of P.L.1948, c.454 (C.27:23-3) or its successor.

"Notes" means the notes issued by the authority pursuant to the act.

"Permitted maintenance" means, in relation to public transportation projects and transportation projects, direct costs of work necessary for preserving or maintaining the useful life of public transportation projects and transportation projects, respectively, provided the work performed is associated with the acquisition, installation, and rehabilitation of components which are not included in the normal operating maintenance of equipment and facilities or replaced on a scheduled basis. The work shall ensure the useful life of the public transportation project or transportation project for not less than five years and shall not include routine maintenance or inspection of equipment and facilities that is conducted on a scheduled basis. This definition shall not apply to the term "maintenance" as used in the definition of "public highways." In relation to public highways, "permitted maintenance" means the direct costs of work necessary for preserving or maintaining the useful life of public highways, provided the work is not associated with the regular and routine maintenance of public highways and their components. The work shall ensure the useful life of the transportation project for not less than five years.

"Prior bonds" means bonds issued pursuant to the authorization contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds issued to refund such prior bonds.

"Public highways" means public roads, streets, expressways, freeways, parkways, motorways and boulevards, including bridges, tunnels, overpasses, underpasses, interchanges, rest areas, express bus roadways, bus pullouts and turnarounds, park-ride facilities, traffic circles, grade separations, traffic control devices, the elimination or improvement of crossings of railroads and highways, whether at grade or not at grade, bicycle and pedestrian pathways and pedestrian and bicycle bridges traversing public highways and any facilities, equipment, property, rights of way, easements and interests therein needed for the construction, improvement, and maintenance of highways.

"Public transportation project" means, in connection with public transportation service, passenger stations, shelters and terminals, automobile parking facilities, ferries and ferry facilities, including capital projects for ferry terminals, approach roadways, pedestrian accommodations, parking, docks, and other necessary land-side improvements, ramps, track connections, signal systems, power systems, information and communication systems, roadbeds, transit lanes or rights of way, equipment storage, pedestrian walkways and bridges connecting to passenger stations and servicing facilities, bridges, grade crossings, rail cars, locomotives, motorbuses and other motor vehicles, maintenance and garage facilities, revenue handling equipment and any other equipment, facility, or property useful for or related to the provision of public transportation service.

"South Jersey Transportation Authority" means the public corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or its successor.

"State agency" means any office, department, board, commission, bureau, division, agency, or instrumentality of the State.

"Toll road authorities" means and includes the New Jersey Turnpike Authority, the New Jersey Highway Authority, or its successor, and the South Jersey Transportation Authority.

"Transportation program bonds" means bonds issued pursuant to the authorization contained in P.L.2012, c.13, P.L.2016, c.56, P.L.2024, c.7 (C.39:3-8.5 et al.), and any bonds issued to refund such transportation program bonds.

"Transportation project" means, in addition to public highways and public transportation projects, any equipment, facility or property useful or related to the provision of any ground,

waterborne, or air transportation for the movement of people and goods including rail freight infrastructure, which equipment, facility, or property may be acquired by purchase or lease.

"Transportation system" means public highways, public transportation projects, other transportation projects, and all other surface, airborne, and waterborne methods of transportation for the movement of people and goods.

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

C.27:1B-9 Issuance of bonds.

9. a. The authority shall have the power and is hereby authorized after November 15, 1984 and from time to time thereafter to issue its bonds, notes or other obligations in principal amounts as in the opinion of the authority shall be necessary to provide for any of its corporate purposes, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds, notes or other obligations issued by it, whether the bonds, notes, obligations or interest to be funded or refunded have or have not become due; and to provide for the security thereof and for the establishment or increase of reserves to secure or to pay the bonds, notes or other obligations or interest thereon and all other reserves and all costs or expenses of the authority incident to and necessary or convenient to carry out its corporate purposes and powers; and in addition to its bonds, notes and other obligations, the authority shall have the power to issue subordinated indebtedness, which shall be subordinate in lien to the lien of any or all of its bonds or notes. No resolution or other action of the authority providing for the issuance of bonds, refunding bonds, notes, or other obligations shall be adopted or otherwise made effective by the authority without the prior approval in writing of the Governor and the State Treasurer.

b. Except as may be otherwise expressly provided in the act or by the authority:

(1) Every issue of bonds or notes shall be general obligations payable out of any revenues or funds of the authority, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues or funds. The authority may provide the security and payment provisions for its bonds or notes as it may determine, including (without limiting the generality of the foregoing) bonds or notes as to which the principal and interest are payable from and secured by all or any portion of the revenues of and payments to the authority, and other moneys or funds as the authority shall determine, provided that for transportation program bonds or notes issued in anticipation of such transportation program bonds, only revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," may be used for such payment;

(2) In addition, the authority may issue notes, in anticipation of the issuance of the bonds, provided that the issuance of such notes shall be subject to the bonding limitations as provided in subsection i. of this section, and the payment of such notes if issued in anticipation of the issuance of transportation program bonds shall be paid solely from revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds." The authority may also issue notes in anticipation of the receipt of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems, the principal of or interest on which, or both, shall be payable out of the proceeds of appropriations, grants, reimbursements or other funds, including without limitation grants from

the federal government for federal aid highways or public transportation systems. Such notes shall not be subject to the bonding limitations as provided in subsection i. of this section; and

(3) The authority may also enter into bank loan agreements, lines of credit and other security agreements as authorized pursuant to subsection h. of section 6 of P.L.1984, c.73 (C.27:1B-6) and obtain for or on its behalf letters of credit in each case for the purpose of securing its bonds, notes or other obligations or to provide direct payment of any costs which the authority is authorized to pay by this act and to secure repayment of any borrowings under the loan agreement, line of credit, letter of credit or other security agreement by its bonds, notes or other obligations or the proceeds thereof or by any or all of the revenues of and payments to the authority or by any appropriation, grant or reimbursement to be received by the authority and other moneys or funds as the authority shall determine, provided that for any such agreements entered into in connection with transportation program bonds issued pursuant to the authorization contained in subsection i. of this section, or notes issued in anticipation of such transportation program bonds, only revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," may be used for such payment.

c. Whether or not the bonds and notes are of the form and character as to be negotiable instruments under the terms of Title 12A, Commercial Transactions, New Jersey Statutes, the bonds and notes are hereby made negotiable instruments within the meaning of and for all the purposes of Title 12A of the New Jersey Statutes.

d. Bonds or notes of the authority shall be authorized by a resolution or resolutions of the authority and may be issued in one or more series and shall bear the date, or dates, mature at the time or times, bear interest at the rate or rates of interest per annum, be in the denomination or denominations, be in the form, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be payable from the sources, in the medium of payment, at the place or places within or without the State, and be subject to the terms of redemption (with or without premium) as the resolution or resolutions may provide. Bonds or notes may be further secured by a trust indenture between the authority and a corporate trustee within or without the State. All other obligations of the authority shall be authorized by resolution containing terms and conditions as the authority shall determine.

e. Bonds, notes or other obligations of the authority may be sold at public or private sale at a price or prices and in a manner as the authority shall determine, either on a negotiated or on a competitive basis. Every bond, or refunding bond, issued on or after the effective date of P.L.2006, c.3 (C.27:1B-22.2 et al.) shall mature and be paid no later than 31 years from the date of the issuance of that bond or refunding bond.

f. Bonds or notes may be issued and other obligations incurred under the provisions of the act without obtaining the consent of any department, division, commission, board, bureau or agency of the State, other than the approval as required by subsection a. of this section, and without any other proceedings or the happening of any other conditions or other things than those proceedings, conditions or things which are specifically required by the act.

g. Bonds, notes and other obligations of the authority issued or incurred under the provisions of the act shall not be in any way a debt or liability of the State or of any political subdivision thereof other than the authority and shall not create or constitute any indebtedness, liability or obligation of the State or of any political subdivision or be or constitute a pledge of the faith and credit of the State or of any political subdivision, but all bonds, notes and obligations, unless funded or refunded by bonds, notes or other obligations of the authority, shall be payable solely from revenues or funds pledged or available for their payment as

authorized in the act. Each bond, note or other obligation shall contain on its face a statement to the effect that the authority is obligated to pay the principal thereof or the interest thereon only from revenues or funds of the authority, and for transportation program bonds and agreements securing such transportation program bonds only from revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," and that neither the State nor any political subdivision thereof is obligated to pay the principal or interest and that neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or the interest on the bonds, notes or other obligations. For the purposes of this subsection, political subdivision does not include the authority.

h. All expenses incurred in carrying out the provisions of the act shall be payable solely from the revenues or funds provided or to be provided under or pursuant to the provisions of the act and nothing in the act shall be construed to authorize the authority to incur any indebtedness or liability on behalf of or payable by the State or any political subdivision thereof.

i. Commencing with the fiscal year beginning July 1, 1995 and ending within the fiscal year beginning July 1, 2005, the authority shall not incur debt in any fiscal year in excess of \$650,000,000, except that if that permitted amount of debt, or any portion thereof, is not incurred in a fiscal year it may be incurred in a subsequent fiscal year. Commencing with the fiscal year beginning July 1, 2006 and ending with the fiscal year beginning on July 1, 2010, the authority shall not incur debt for any fiscal year in excess of \$1,600,000,000, reduced in each of those fiscal years by the amount by which the appropriation of State funds to the Transportation Trust Fund Account for that fiscal year shall exceed \$895,000,000; provided, however, that if a portion of that permitted amount of debt, less any reduction as provided above, is not incurred in a fiscal year, an amount not greater than the unused portion may be incurred in a subsequent fiscal year in addition to the amount otherwise permitted. Debt permitted for the fiscal year beginning July 1, 2006 may be incurred prior to July 1, 2006. The authority shall not issue transportation program bonds in excess of \$1,247,000,000 for the fiscal year beginning July 1, 2012, in excess of \$849,200,000 for the fiscal year beginning July 1, 2013, in excess of \$735,300,000 for the fiscal year beginning July 1, 2014, and in excess of \$626,800,000 for the fiscal year beginning July 1, 2015, except that (1) if that permitted amount of transportation program bonds, or any portion thereof, is not incurred in a fiscal year, it may be issued in a subsequent fiscal year and (2) 30 percent of the permitted amount of transportation program bonds for a fiscal year may be issued in the fiscal year preceding such fiscal year provided that (a) any transportation program bonds issued pursuant to this paragraph shall be deducted from the authorization for the fiscal year from which it was taken, and (b) the proceeds of any such transportation program bonds shall not be encumbered until the fiscal year from which the deduction of the authorization was taken pursuant to this paragraph. Transportation program bonds authorized to be issued for the fiscal year beginning July 1, 2012 may be issued prior to July 1, 2012. Commencing on the day that Assembly Concurrent Resolution No. 1 of 2015, a constitutional amendment to Article VIII, Section II, paragraph 4 of the New Jersey Constitution, takes effect, and ending June 30, 2029, the authority shall not issue transportation program bonds in excess of \$15,600,000,000. Any increase in this limitation shall only occur if so provided for by law. In computing the foregoing limitation as to the amount of bonds the authority may issue, the authority may exclude any bonds, notes or other obligations, including subordinated obligations of the authority, issued for refunding purposes; except that, for the fiscal year beginning July 1, 2016 and thereafter, any net

premiums received in connection with the issuance of transportation program bonds shall count against any limitation as to the amount of transportation program bonds the authority may issue. The payment of debt service on transportation program bonds and any agreements issued in connection with such transportation program bonds shall be paid solely from revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds."

j. Upon the decision by the authority to issue refunding bonds pursuant to this section, and prior to the sale of those bonds, the authority shall transmit to the Joint Budget Oversight Committee, or its successor, a report that a decision has been made, reciting the basis on which the decision was made, including an estimate of the debt service savings to be achieved and the calculations upon which the authority relied when making the decision to issue refunding bonds. The report shall also disclose the intent of the authority to issue and sell the refunding bonds at public or private sale and the reasons therefor.

k. The Joint Budget Oversight Committee, or its successor, shall have authority to approve or disapprove the sale of refunding bonds as included in each report submitted in accordance with subsection j. of this section. The committee shall approve or disapprove the sale of refunding bonds within 10 business days after physical receipt of the report. The committee shall notify the authority in writing of the approval or disapproval as expeditiously as possible.

l. No refunding bonds shall be issued unless the report has been submitted to and approved by the Joint Budget Oversight Committee, or its successor, as set forth in subsection k. of this section.

m. Within 30 days after the sale of the refunding bonds, the authority shall notify the Joint Budget Oversight Committee, or its successor, of the result of that sale, including the prices and terms, conditions and regulations concerning the refunding bonds, and the actual amount of debt service savings to be realized as a result of the sale of refunding bonds.

n. The Joint Budget Oversight Committee, or its successor, shall, however, review all information and reports submitted in accordance with this section and may, on its own initiative, make observations and recommendations to the authority or to the Legislature, or both, as it deems appropriate.

o. No refunding bonds shall be issued unless the authority shall first determine that the present value of the aggregate principal of and interest on the refunding bonds is less than the present value of the aggregate principal of and interest on the outstanding bonds to be refinanced, except that, for the purposes of this limitation, present value shall be computed using a discount rate equal to the yield of those refunding bonds, and yield shall be computed using an actuarial method based upon a 360-day year with semiannual compounding and upon the prices paid to the authority by the initial purchasers of those refunding bonds.

3. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to read as follows:

C.27:1B-20 "Transportation Trust Fund Account."

20. There is hereby established in the General Fund an account entitled "Transportation Trust Fund Account," which shall consist of three subaccounts entitled: "Transportation Trust Fund Account - Subaccount for Debt Service for Prior Bonds," "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," and "Transportation Trust Fund Account - Subaccount for Capital Reserves." During the fiscal year beginning July 1, 1984 and during each succeeding fiscal year in which the authority has bonds, notes or other obligations outstanding, the treasurer shall credit to the "Transportation Trust

Fund Account - Subaccount for Debt Service for Prior Bonds" a portion of the revenues derived from the following, as determined by the treasurer, and to the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds" and "Transportation Trust Fund Account - Subaccount for Capital Reserves" only revenues dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, which are also derived under subsection a. of this section and from the petroleum products gross receipts and sales tax as set forth in subsection d. of this section, and to the "Transportation Trust Fund Account - Subaccount for Capital Reserves," the revenues derived from the additional annual fee for zero-emission vehicles, as set forth in subsection e. of this section:

a. An amount equivalent to all revenue derived from the collection of the tax imposed on the sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised Statutes, as provided in Article VIII, Section II, paragraph 4 of the State Constitution;

b. (Deleted by amendment, P.L.2000, c.73).

c. An amount equivalent to moneys received by the State in accordance with contracts entered into with toll road authorities or other State agencies, provided that effective with the fiscal year beginning July 1, 1988 the amount so credited shall not be less than \$24,500,000 in any fiscal year.

The treasurer shall also credit to the "Transportation Trust Fund Account - Subaccount for Debt Service for Prior Bonds," in accordance with a contract between the treasurer and the authority, an amount equivalent to the sum of the revenues due from the increase of fees for motor vehicle registrations collected pursuant to the amendment to R.S.39:3-20 made by section 32 of P.L.1984, c.73 and from the increase in the tax on diesel fuels imposed pursuant to the amendment to R.S.54:39-27 made by section 35 of P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-103), provided that the total amount credited during the fiscal year beginning July 1, 1984 shall not be less than \$20,000,000 and that the total amount credited during the fiscal year beginning July 1, 1985 and during every fiscal year thereafter shall not be less than \$30,000,000.

In addition to the amounts credited to the account by this section, commencing with the fiscal year beginning July 1, 1995 and every fiscal year thereafter, there shall be appropriated from the General Fund such additional amounts as are necessary to carry out the provisions of this act and beginning July 1, 2000 the fees collected pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-63) shall be credited to the account for the purposes of this act, provided, however, the amount credited from such fees during any fiscal year shall not be less than \$60,000,000.

d. In addition to the amount credited in subsection a. of this section: beginning January 1 following approval by the voters an amount equivalent to the revenue derived from the tax imposed on the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.), provided, however, such amount shall not be less than \$100,000,000 in the period January 1 through June 30 following approval by the voters and shall not be less than \$200,000,000 in any fiscal year through the fiscal year commencing July 1, 2015; and in the fiscal year commencing July 1, 2016, an amount equivalent to all revenue derived from the sale of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in each year thereafter; and for the fiscal year commencing July 1, 2001 and for each fiscal year thereafter an amount equivalent to the revenue derived from the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor vehicles, provided, however, that such amount shall not be less than \$200,000,000 for the fiscal year commencing July 1, 2003

and for each fiscal year thereafter, as provided in Article VIII, Section II, paragraph 4 of the State Constitution.

No later than the fifth business day of the month following the month in which a credit has been made, the treasurer shall pay to the authority, for its purposes as provided herein, the amounts then credited to the "Transportation Trust Fund Account - Subaccount for Debt Service for Prior Bonds," "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds," and "Transportation Trust Fund Account - Subaccount for Capital Reserves," provided that the payments to the authority shall be subject to and dependent upon appropriations being made from time to time by the Legislature of the amounts thereof for the purposes of the act, and further provided that the revenues deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds" and "Transportation Trust Fund Account - Subaccount for Capital Reserves" shall consist solely of revenues which are dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and subsections a. and d. of this section.

In the event that the amount of appropriations and other revenues made available to the authority are greater than the amount of appropriations and other revenues needed to meet the statutory purposes of the authority in a fiscal year, any of those additional amounts, which are dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, and subsections a. and d. of this section, may be deposited into the "Transportation Trust Fund Account - Subaccount for Capital Reserves." Monies deposited in the "Transportation Trust Fund Account - Subaccount for Capital Reserves" shall be held in reserve as a means of ensuring the adequacy of funding to meet the future statutory needs of the authority, and may be transferred to the other subaccounts of the "Transportation Trust Fund Account" or to the "Special Transportation Fund" through appropriation by the Legislature for any statutory need of the authority.

e. For the fiscal year beginning July 1, 2024 and each fiscal year thereafter, an amount equivalent to the sum of all revenues derived from the imposition of an additional annual fee collected upon zero-emission vehicles pursuant to section 8 of P.L.2024, c.7 (C.39:3-8.5) shall be credited to the "Transportation Trust Fund Account - Subaccount for Capital Reserves" to be used for transportation projects. No portion of these revenues shall be appropriated to pay debt service on transportation system bonds, transportation program bonds, or any other bonds, notes, or other obligations, including subordinated obligations of the authority, provided, however, if such fee revenues are dedicated pursuant to the New Jersey Constitution, including Article VIII, Section II, paragraph 4, such fee revenues may then be deposited into the "Transportation Trust Fund Account - Subaccount for Debt Service for Transportation Program Bonds" and used to pay debt service on transportation program bonds and any agreements issued in connection with such transportation program bonds.

4. Section 8 of P.L.1987, c.460 (C.27:1B-21.1) is amended to read as follows:

C.27:1B-21.1 Annual funding maximums.

8. a. Commencing with the reports of the commissioner, which shall include the Transportation Master Plan, Statewide Capital Investment Strategy, Annual Transportation Capital Program, Transportation Trust Fund Authority Financial Plan, and Five-Year Capital Plan, as may be amended, required to be submitted pursuant to section 22 of P.L.1984, c.73 (C.27:1B-22) on or before March 1, 2006 and on each succeeding March 1 thereafter through March 1, 2015, the annual amount so reported by the commissioner for proposed projects shall not exceed \$1,600,000,000 exclusive of federal funds, and beginning with the reports due

March 1, 2016, and on each succeeding March 1 thereafter through March 1, 2023, the amount so reported by the commissioner for proposed projects shall not exceed an aggregate \$16,600,000,000 over that eight year period, and beginning with the reports due March 1, 2024, and on each succeeding March 1 thereafter through March 1, 2028, the amount so reported by the commissioner for proposed projects shall not exceed an aggregate \$10,367,000,000 over that five-year period.

b. For the fiscal year beginning on July 1, 2006 and for each fiscal year thereafter through the fiscal year beginning on July 1, 2011, the total annual amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984, c.73 (C.27:1B-21) shall not exceed \$1,600,000,000, all amounts exclusive of federal funds. The total amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984, c.73 (C.27:1B-21) shall not exceed: \$1,247,000,000 for the fiscal year beginning on July 1, 2012; \$1,224,000,000 for the fiscal year beginning on July 1, 2013; \$1,225,000,000 for the fiscal year beginning on July 1, 2014; and \$1,247,000,000 for the fiscal year beginning on July 1, 2015. The total amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984, c.73 (C.27:1B-21) shall not exceed an aggregate \$16,600,000,000 in total for the fiscal year beginning on July 1, 2016 through the fiscal year beginning on July 1, 2023. The total amount authorized to be appropriated from the revenues and other nonfederal funds of the New Jersey Transportation Trust Fund Authority for the projects listed in the appropriations act pursuant to section 21 of P.L.1984, c.73 (C.27:1B-21) shall not exceed:

- (1) \$2,000,000,000 for State Fiscal Year 2025;
- (2) \$2,000,000,000 for State Fiscal Year 2026;
- (3) \$2,060,000,000 for State Fiscal Year 2027, provided, however, in addition to any additional set-aside required under section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year, \$60,000,000 of the amount authorized pursuant to this subsection shall be allocated as follows: 25 percent as State aid to counties for transportation projects pursuant to subsection e. of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to municipalities for transportation projects pursuant to subsection c. of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for projects of the Department of Transportation; and 25 percent for projects of the New Jersey Transit Corporation;
- (4) \$2,122,000,000 for State Fiscal Year 2028, provided, however, in addition to any additional set-aside required under section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year, \$122,000,000 of the amount authorized pursuant to this subsection shall be allocated as follows: 25 percent as State aid to counties for transportation projects pursuant to subsection e. of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to municipalities for transportation projects pursuant to subsection c. of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for projects of the Department of Transportation; and 25 percent for projects of the New Jersey Transit Corporation; and
- (5) \$2,185,000,000 for State Fiscal Year 2029, provided, however, in addition to any additional set-aside required under section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year, \$185,000,000 of the amount authorized pursuant to this subsection shall be allocated as follows: 25 percent as State aid to counties for transportation projects pursuant to subsection e. of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to municipalities for transportation projects pursuant to subsection c. of section 25 of P.L.1984, c.73 (C.27:1B-25);

25 percent for projects of the Department of Transportation; and 25 percent for projects of the New Jersey Transit Corporation.

c. (Deleted by amendment, P.L.1991, c.40)

d. (Deleted by amendment, P.L.1992, c.10)

e. The State Auditor shall provide for a unified annual audit of expenditures from the "Special Transportation Fund," established by section 21 of P.L.1984, c.73 (C.27:1B-21), in order to determine that these funds are expended for costs eligible for funding from the authority and in a manner consistent with appropriations made by the Legislature. The findings of such audits shall be transmitted to the presiding officer of each House of the Legislature, and to the Chair of the Senate Budget and Appropriations Committee, the Senate Transportation Committee, the Assembly Appropriations Committee, and the Assembly Transportation and Independent Authorities Committee or their successors.

f. The State Auditor shall review bond issuances of the authority and report to the Joint Budget Oversight Committee and to the members of the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or their successors, on the status of the bonds of the authority and projects financed from the proceeds of the bonds. The report shall include the investment status of all unexpended bond proceeds and provide a description of any bond issues expected during a fiscal year, including type of issue, estimated amount of bonds to be issued and the expected month of sale.

5. Section 6 of P.L.2006, c.3 (C.27:1B-22.2) is amended to read as follows:

C.27:1B-22.2 Transportation Policy Review Board.

6. There is hereby created in the Executive Branch of the State Government, a body corporate and politic, with corporate succession, to be known as the Transportation Policy Review Board. For the purpose of complying with the provisions of Article V, Section IV, paragraph 1 of the New Jersey Constitution, the board is hereby allocated within the Department of Transportation, but, notwithstanding that allocation, the board shall be independent of any supervision or control by the department or by any body or officer thereof. The board is hereby constituted as an instrumentality of the State exercising public and essential governmental functions, and the exercise by the board of the powers conferred by this act shall be deemed and held to be an essential governmental function of the State.

The board shall be comprised of nine public members with experience in transportation finance and policy. The Governor shall appoint three of the members with the advice and consent of the Senate, two of whom shall be experts that perform academic research in the areas of transportation and public transportation policy, planning, or engineering, and one of whom shall be an expert in the area of transportation capital finance. The remaining members shall be appointed by the Governor as follows: two upon the recommendation of the President of the Senate, one upon the recommendation of the Minority Leader of the Senate, two upon the recommendation of the Speaker of the General Assembly, and one upon the recommendation of the Minority Leader of the General Assembly. Each member shall have a professional background in passenger rail service, freight rail management, transportation capital planning, transportation and public transportation capital construction, federal transportation policy, State transportation policy, or transportation capital finance. Each member shall serve for a four-year term and shall serve until the member's successor is appointed and qualified; provided, however, that in order to achieve non-concurrent terms, of the members first appointed pursuant to this section, two members appointed by the Governor shall serve for four years; while the three members appointed upon the recommendations of

the President of the Senate and the Minority Leader of the Senate and the three members appointed upon the recommendations of the Speaker of the General Assembly and the Minority Leader of the General Assembly shall serve for three years each, and the remaining member appointed by the Governor shall serve for two years; and further provided that any member serving on the effective date of P.L.2016, c.56 (C.27:1B-22.5 et al.) shall serve until the expiration of that member's term, notwithstanding the criteria for appointment established pursuant to P.L.2016, c.56 (C.27:1B-22.5 et al.). The Transportation Policy Review Board shall be deemed to be constituted immediately upon appointment and qualification in the manner provided in this section of at least five members.

The purpose of the board is to assure fiscal discipline through evaluating the financing of transportation; independently analyzing and reporting on the cost effectiveness of spending in the transportation capital program; conducting and commissioning research on best practices in the areas of transportation and public transportation construction, planning, finance, and engineering; providing policy recommendations to the Legislature on the best ways to organize the capital program and appropriate capital program funds; and preparing an annual State of Condition of Transportation Financing certification.

The board shall annually appear before the Senate Budget and Appropriations Committee, or its successor, and the Assembly Budget Committee, or its successor, and provide independent analysis of the transportation capital program, provide comments on the cost effectiveness of the program, evaluate the condition of the State transportation system, and identify needed infrastructure investments. The board shall annually appear before the Senate Transportation Committee, or its successor, and the Assembly Transportation and Independent Authorities Committee, or its successor, and report on best practices and cost savings in areas related to transportation and public transportation construction, planning, finance, infrastructure, and governance. The board shall also make itself available to the aforementioned budget and transportation committees to conduct research and provide recommendations on policy issues that those committees request of the board. The board shall issue an annual report on or before June 1 of each year which summarizes the work of the board for the prior year, evaluates the reports issued by the department pursuant to section 22 of P.L.1984, c.73 (C.27:1B-22), and provides independent recommendations for administering the annual capital program.

The board shall be provided with a budget each year to be funded through the capital program, and the budget shall be sufficient to allow the board to commission independent research from academic and other experts in the area of research to be conducted, to avail itself of any professional or consultant services necessary to perform its functions, and to complete the reports and certifications required pursuant to this section.

The board may call to its assistance and avail itself of the services of the employees of any State, county, or municipal department, board, bureau, task force, or agency as it may require and as may be available to it for its purposes, and to employ stenographic and clerical assistance and incur traveling and other miscellaneous expenses necessary to perform its duties, within the limits of funds appropriated or otherwise made available to it for its purposes.

The board shall submit reports to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) no later than April 1, 2017 concerning the taxation of motor vehicles that are powered by a fuel source that is not subject to the motor fuels tax pursuant to P.L.2010, c.22 (C.54:39-101 et seq.) or the petroleum products gross receipts tax pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.), including, but not limited to electric vehicles and hydrogen fuel cell vehicles. The report required pursuant to this subsection shall include recommendations to the Legislature for a new system of taxation that mandates that all vehicles

operating on the highways of this State contribute equitably to the cost of maintaining the State transportation system.

The State of Condition of Transportation Financing certification shall ensure that the financing and expenditures of the New Jersey Transportation Trust Fund Authority (the "authority") adhere to certain standards. The standards are: a. The bonding limitation as provided in subsection i. of section 9 of P.L.1984, c.73 (C.27:1B-9). b. For the fiscal year commencing July 1, 2007, the amount expended from the revenues and other funds of the authority for permitted maintenance shall not exceed the amount expended for permitted maintenance in the fiscal year commencing July 1, 2006. c. The total amount authorized to be appropriated from the revenues and other funds of the authority for project costs commencing with the fiscal year beginning July 1, 2007 through the fiscal year beginning July 1, 2015 shall not exceed \$1,600,000,000 annually, and for the fiscal year beginning on July 1, 2016 through the fiscal year beginning on July 1, 2023 shall not exceed an aggregate \$16,000,000,000 over that eight-year period, and for the fiscal year beginning on July 1, 2024 through the fiscal year beginning on July 1, 2028 shall not exceed an aggregate \$10,367,000,000 over that five-year period.

Commencing with the fiscal year beginning July 1, 2007, the board shall submit to the Governor, the Legislature, and the commissioner on an annual basis the State of Condition of Transportation Financing certification as to the requirements of certification standard a. referencing therein a certification with regard to certification standards b. and c. to the extent feasible, given the other provisions of this section. The certifications shall be based on the board's review of the State's fiscal year final expenditures from the preceding fiscal year, including bonding and expenditures from the annual independent audit of the authority, and the amount of authority funds programmed for permitted maintenance. If the capital program and its financing are found to be in compliance, the first annual certification required by this paragraph shall be submitted by February 1, 2008, after the certification is concurred with by the members of the authority, and by February 1 of each year thereafter. The board shall advise the commissioner and the authority on February 1, 2008 and on each succeeding February 1, if the board finds that the authority is not in compliance with the bonding requirements as provided in certification standard a. of the section, and that a corrective action plan is needed. The authority shall submit a corrective action plan that would reduce its future bond sales to offset the amount of excess bonding or to reduce future debt service payments, or both, as the case may be. Upon approval of the corrective action plan by the board, the certification shall be issued with certain conditions. The Annual Transportation Capital Program submitted to the Legislature for the forthcoming year shall be in compliance with the provisions of the corrective action plan. If the board does not approve the corrective action plan, the authority shall submit a financial plan showing bonding only for existing projects, noting that no bonds shall be issued for new projects shown in the department's Annual Transportation Capital Program. The board shall advise the commissioner on February 1, 2008 and on each succeeding February 1, if the board finds that the Department of Transportation has exceeded the limitation for the amount of authority funds spent on permitted maintenance pursuant to certification standard b. of this section, or for the amount authorized to be appropriated for project costs pursuant to certification standard c. of this section and that a corrective action plan is needed. The department shall submit a corrective action plan that would offset the excess amount spent, or the excess amount appropriated, in the prior year with less funding for permitted maintenance or for projects, as the case may be, in the proposed capital budget request. Upon approval of the corrective action plan by the board, a certification as to these matters shall be issued with certain conditions. The Annual Transportation Capital Program submitted to the Legislature for the forthcoming year shall be in compliance with the provisions of the

corrective action plan. If the board does not approve the corrective action plan, the authority shall submit a financial plan showing bonding only for existing projects, noting that no bonds shall be issued for new projects shown in the department's Annual Transportation Capital Program.

6. Section 25 of P.L.1984, c.73 (C.27:1B-25) is amended to read as follows:

C.27:1B-25 County, municipal projects.

25. a. Notwithstanding the provisions of subtitle 4 of Title 27 of the Revised Statutes and P.L.1946, c.301 (C.27:15A-1 et seq.), the commissioner may, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate to counties and municipalities funds for the planning, acquisition, engineering, construction, reconstruction, repair, resurfacing and rehabilitation of public highways and the planning, acquisition, engineering, construction, reconstruction, repair, maintenance and rehabilitation of public transportation projects and of other transportation projects which a county or municipality may be authorized by law to undertake.

b. The commissioner shall, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate at his discretion State aid to counties and municipalities for transportation projects, except that the amount to be appropriated for this program shall be seven percent of the total amount appropriated pursuant to subsection d. of this section. This State aid shall be set aside prior to any formula allocations provided for in subsections c., d., e., f., and g. of this section, and shall be known as the "Local Aid Infrastructure Fund." In the fiscal year commencing July 1, 2016, any amount appropriated to the Local Aid Infrastructure Fund above \$7,500,000 shall be deposited into the State Transportation Infrastructure Bank Fund, established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4).

c. The commissioner shall, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law and pursuant to the provisions of subsections b. and d. of this section, allocate State aid to municipalities for public highways under their jurisdiction. The amount to be appropriated shall be allocated on the basis of the following distribution factor:

$$DF = \frac{Pc}{Ps} + \frac{Cm}{Sm}$$

where, DF equals the distribution factor

Pc equals county population

Ps equals State population

Cm equals municipal road mileage within the county

Sm equals municipal road mileage within the State.

After the amount of aid has been allocated based on the above formula, the commissioner shall determine priority for the funding of municipal projects within each county, based upon criteria relating to volume of traffic, safety considerations, growth potential, readiness to obligate funds, and local taxing capacity. In addition to the above criteria used in determining priority of funding of municipal projects in each county, the commissioner shall consider whether a project is intended to remedy hazardous conditions as identified for the purposes of providing transportation pursuant to N.J.S.18A:39-1.2 for school pupils or to improve pedestrian safety.

For the purposes of this subsection, (1) "population" means the official population count as reported by the New Jersey Department of Labor and Workforce Development; and (2) "municipal road mileage" means that road mileage under the jurisdiction of municipalities, as determined by the department.

d. There shall be appropriated at least \$175,000,000 for each fiscal year commencing July 1, 2006 through the fiscal year commencing July 1, 2015, and \$400,000,000 for each fiscal year commencing July 1, 2016 and for each fiscal year thereafter, for the purposes provided herein and in subsections b., c., e., f., and g. of this section. (1) Of that appropriation, the commissioner shall allocate 37.5 percent of the total appropriation as State aid for municipalities pursuant to the provisions of subsection c. of this section, provided that \$5,000,000 for each fiscal year commencing July 1, 2006 through the fiscal year commencing July 1, 2015, and \$10,000,000 for each fiscal year commencing July 1, 2016 and for each fiscal year thereafter of the amount allocated as State aid for municipalities shall be set aside and sub-allocated as State aid to any municipality qualifying for aid pursuant to the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.). The commissioner shall allocate the aid to each municipality in the same proportion that the municipality receives aid under P.L.1978, c.14 (C.52:27D-178 et seq.). (2) The commissioner shall allocate 37.5 percent of the total appropriation pursuant to the provisions of subsection e. of this section for the Local County Aid Program. (3) The commissioner shall allocate seven percent of the total appropriation pursuant to the provisions of subsection b. of this section for the "Local Aid Infrastructure Fund." (4) The commissioner shall allocate seven percent of the appropriation pursuant to the provisions of subsection f. of this section for the "Local Freight Impact Fund." (5) The remaining 11 percent of the appropriation shall be allocated pursuant to the provisions of subsection g. of this section for the "Local Bridges Fund."

The amount of funds allocated as State aid for counties and municipalities, pursuant to paragraphs (3), (4), and (5) of subsection b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1), shall be in addition to the amount of any appropriation required pursuant to this subsection and shall not be subject to any formula allocation provided for in this subsection, and which amounts shall be allocated as follows:

Of the amounts allocated pursuant to paragraph (3) of subsection b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal Year 2027, \$15,000,000 shall be allocated as State aid to counties for transportation projects pursuant to subsection e. of this section, and \$15,000,000 shall be allocated as State aid to municipalities for transportation projects pursuant to subsection c. of this section;

Of the amounts allocated pursuant to paragraph (4) of subsection b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal Year 2028, \$30,500,000 shall be allocated as State aid to counties for transportation projects pursuant to subsection e. of this section, and \$30,500,000 shall be allocated as State aid to municipalities for transportation projects pursuant to subsection c. of this section; and

Of the amounts allocated pursuant to paragraph (5) of subsection b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal Year 2029, \$46,250,000 shall be allocated as State aid to counties for transportation projects pursuant to subsection e. of this section, and \$46,250,000 shall be allocated as State aid to municipalities for transportation projects pursuant to subsection c. of this section.

e. The commissioner may, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate additional funding to the Local County Aid Program for public highway projects, in accordance with a formula similar to that

provided for in subsection c. of this section, except that Cm equals road mileage under county jurisdiction and Sm equals total county road mileage within the State.

f. The commissioner shall, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate at the commissioner's discretion, State aid to counties and municipalities for transportation projects that address the impacts of freight travel in local communities and on local transportation infrastructure, except that the amount to be appropriated for this program shall be seven percent of the total amount appropriated pursuant to subsection d. of this section. This State aid shall be set aside prior to any formula allocations provided for in subsections c., d., e., and g. of this section, and shall be known as the "Local Freight Impact Fund."

g. The commissioner shall, pursuant to appropriations or authorizations being made from time to time by the Legislature according to law, allocate at the commissioner's discretion, State aid to counties and municipalities for transportation projects that address the condition of bridges under the jurisdiction of counties with an emphasis on repair and reconstruction of those with the greatest structural deficiencies, except that the amount to be appropriated for this program shall be 11 percent of the total amount appropriated pursuant to subsection d. of this section. This State aid shall be set aside prior to any formula allocations provided for in subsections c., d., e., and f. of this section, and shall be known as the "Local Bridges Fund."

7. Section 3 of P.L.1990, c.42 (C.54:15B-3) is amended to read as follows:

C.54:15B-3 Petroleum products tax.

3. a. (1) (a) There is imposed on each company which is engaged in the refining or distribution, or both, of petroleum products other than highway fuel and aviation fuel and which distributes such products in this State a tax at the rate of seven percent of its gross receipts derived from the first sale of petroleum products within this State and there is imposed on each company which is engaged in the refining or distribution, or both, of highway fuel a tax at the rate of 12.85 percent, as adjusted pursuant to subsections c. and d. of this section, of its gross receipts derived from the first sale of those products within this State.

(b) The applicable tax rate for gasoline, blended fuel that contains gasoline or is intended for use as gasoline, and liquefied petroleum gas, which are taxed as a highway fuel pursuant to subparagraph (a) of this paragraph, shall be converted to a cents-per-gallon rate, rounded to the nearest tenth of a cent, and adjusted quarterly by the director, effective on July 1, October 1, January 1, and April 1, based on the average retail price per gallon of unleaded regular gasoline in the State, as determined in the most recent survey of the retail price per gallon of gasoline that includes a Statewide representative random sample conducted by the Board of Public Utilities, Office of the Economist, or its successor.

(c) The cents-per-gallon rate determined pursuant to subparagraph (b) of this paragraph shall not be less than the rate determined for the average retail price per gallon of unleaded gasoline in the State on July 1, 2016.

(d) The applicable tax rate for diesel fuel, blended fuel that contains diesel fuel or is intended for use as diesel fuel, and kerosene, other than aviation grade kerosene, which are taxed as a highway fuel pursuant to subparagraph (a) of this paragraph, shall be converted to a cents-per-gallon rate, rounded to the nearest tenth of a cent, and adjusted quarterly by the director, effective on July 1, October 1, January 1, and April 1, based on the average retail price per gallon of number 2 diesel in the State, as determined in the most recent survey of retail diesel fuel prices that includes a Statewide representative random sample conducted by the Board of Public Utilities, Office of the Economist, or its successor.

Notwithstanding the provisions of subparagraph (a) of this paragraph to the contrary, for the period from the 2016 implementation date through December 31, 2016, no rate of tax shall be applied to diesel fuel, blended fuel that contains diesel fuel or is intended for use as diesel fuel, or kerosene, other than aviation grade kerosene; for the period from January 1, 2017 through June 30, 2017, the applicable rate for those fuels shall be 70 percent of the rate otherwise determined pursuant to subparagraph (a) of this paragraph, and for July 1, 2017 and thereafter the applicable rate for those fuels determined pursuant to subparagraph (a) of this paragraph.

(e) The cents-per-gallon rate determined pursuant to subparagraph (d) of this paragraph shall not be less than the rate determined for the average retail price per gallon of number 2 diesel in the State on July 1, 2016.

(f) The applicable tax rate for fuel oil determined pursuant to subparagraph (a) of this paragraph shall be converted to a cents-per-gallon rate, rounded to the nearest tenth of a cent, and adjusted quarterly by the director, effective on July 1, October 1, January 1, and April 1, to reflect the average price per gallon, without State or federal tax included, of retail sales of number 2 fuel oil in the State, as determined in the most recent survey of retail diesel fuel prices that included a Statewide representative random sample conducted by the Board of Public Utilities, Office of the Economist, or its successor.

(g) The cents-per-gallon rate determined pursuant to subparagraph (f) of this paragraph shall not be less than the rate determined for the average price per gallon, without State or federal tax included, of retail sales of number 2 fuel oil in the State on July 1, 2016.

(h) (Deleted by amendment, P.L.2024, c.7)

(2) (a) In addition to the tax, if any, imposed by paragraph (1) of this subsection, a cents-per-gallon tax is imposed on each company's gross receipts derived from the first sale of petroleum products within this State on gasoline, blended fuel that contains gasoline or that is intended for use as gasoline, liquefied petroleum gas, and aviation fuel at the rate of four cents per gallon; and

(b) In addition to the tax, if any, imposed by paragraph (1) of this subsection, a cents-per-gallon tax is imposed on each company's gross receipts derived from the first sale of petroleum products within this State on diesel fuel, blended fuel that contains diesel fuel or is intended for use as diesel fuel, and kerosene, other than aviation grade kerosene, at the rate of four cents per gallon before July 1, 2017 and at the rate of eight cents per gallon on and after July 1, 2017.

b. There is imposed on each company that imports or causes to be imported, other than by a company subject to and having paid the tax on those imported petroleum products that have generated gross receipts taxable under subsection a. of this section, petroleum products for use or consumption by it within this State a tax at the rate or rates, determined pursuant to subsection a. of this section, on the consideration given or contracted to be given and the gallonage for such petroleum products if the consideration given or contracted to be given for all such deliveries made during a quarterly period exceeds \$5,000.

c. (1) For State fiscal years 2018 through 2024, the rate of tax imposed on highway fuel pursuant to subsection a. of this section shall be adjusted annually so that the total revenue derived from highway fuel shall not exceed the highway fuel cap amount.

(2) The State Treasurer shall, on or before December 31, 2016, determine the highway fuel cap amount as the sum of:

(a) the taxes collected for State Fiscal Year 2016 pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103) on highway fuel,

(b) the amount derived from taxing the gallonage of highway fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of four cents per gallon, and

(c) the amount that would have been derived from taxing the gallonage of highway fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of 23 cents per gallon.

(3) On or before August 15 of each State Fiscal Year following State Fiscal Year 2017 through State Fiscal Year 2024, and on or before November 15 of each State Fiscal Year beginning in State Fiscal Year 2025, the State Treasurer and the Legislative Budget and Finance Officer shall determine the total revenue derived from:

(a) the taxes collected for the prior State Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103) on highway fuel,

(b) the revenue that would be derived from imposing the tax pursuant to paragraph (2) of subsection a. of this section on highway fuel at the rate of four cents per gallon, and

(c) the revenue derived from the taxation of highway fuel pursuant to paragraph (1) of subsection a. of this section.

(4) Commencing in State Fiscal Year 2017 and ending in State Fiscal Year 2024, upon consideration of the result of the determination pursuant to paragraph (3) of this subsection, and consultation with the Legislative Budget and Finance Officer, the State Treasurer shall determine the rate of tax to be imposed on highway fuel pursuant to subsection a. of this section that will result in revenue from:

(a) the taxes collected on highway fuel for the current State Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103),

(b) the revenue derived from the tax imposed pursuant to paragraph (2) of subsection a. of this section on highway fuel at the rate of four cents per gallon for the current State Fiscal Year, and

(c) the revenue derived from the taxation of highway fuel pursuant to paragraph (1) of subsection a. of this section equaling the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, as adjusted pursuant to paragraph (5) of this subsection; and that rate shall take effect on October 1 of that year.

(5) Commencing in State Fiscal Year 2017 and ending in State Fiscal Year 2024, if the actual revenue determined pursuant to paragraph (3) of this subsection exceeds the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, then the highway fuel cap amount for the succeeding year shall be decreased by the amount of the excess in setting the rate pursuant to paragraph (4) of this subsection. If the actual revenue determined pursuant to paragraph (3) of this subsection is less than the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, then the highway fuel cap amount for the succeeding year shall be increased by the amount of the shortfall in setting the rate pursuant to paragraph (4) of this subsection.

d. (1) For State fiscal years 2025 through 2029, the rate of tax imposed on highway fuel pursuant to subsection a. of this section shall be adjusted annually so that the total revenue derived from highway fuel shall not exceed the highway fuel cap amount determined pursuant to paragraph (2) of this subsection.

(2) The highway fuel cap amount in effect for State fiscal years 2025 through 2029 shall be adjusted so that the total revenue derived from highway fuel shall equal:

(a) for State Fiscal Year 2025, \$2,032,000,000;

(b) for State Fiscal Year 2026, \$2,115,000,000;

(c) for State Fiscal Year 2027, \$2,199,000,000;

(d) for State Fiscal Year 2028, \$2,282,000,000; and

(e) for State Fiscal Year 2029, \$2,366,000,000.

(3) Commencing in State Fiscal Year 2025, upon consideration of the result of the determination pursuant to paragraph (3) of subsection c. of this section, and consultation with

the Legislative Budget and Finance Officer, the State Treasurer shall determine the rate of tax to be imposed on highway fuel pursuant to subsection a. of this section that will result in revenue from:

(a) the taxes collected on highway fuel for the current State Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103),

(b) the revenue derived from the tax imposed pursuant to paragraph (2) of subsection a. of this section on highway fuel at the rate of four cents per gallon for the current State Fiscal Year, and

(c) the revenue derived from the taxation of highway fuel pursuant to paragraph (1) of subsection a. of this section equaling the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, as adjusted pursuant to paragraph (4) of this subsection; and that rate shall take effect on January 1 of that year.

(4) Commencing in State Fiscal Year 2025, if the actual revenue determined pursuant to paragraph (3) of subsection c. of this section is less than the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, then the highway fuel cap amount determined pursuant to paragraph (2) of this subsection for the succeeding year shall be increased by the amount of the shortfall in setting the rate pursuant to paragraph (3) of this subsection. If the actual revenue determined pursuant to paragraph (3) of subsection c. of this section exceeds the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, then the highway fuel cap amount for the succeeding year shall be decreased by the amount of the excess in setting the rate pursuant to paragraph (3) of this subsection.

C.39:3-8.5 Imposing, collection of annual fees, zero-emission vehicles, registration.

8. a. In addition to the registration fees imposed pursuant to Article 2 of chapter 3 of Title 39 of the Revised Statutes:

(1) beginning July 1, 2024 and ending June 30, 2025, the Chief Administrator of the Motor Vehicle Commission shall impose and collect an additional annual fee of \$250 upon every zero emission vehicle to be registered;

(2) beginning July 1, 2025 and ending June 30, 2026, the Chief Administrator of the Motor Vehicle Commission shall impose and collect an additional annual fee of \$260 upon every zero-emission vehicle to be registered;

(3) beginning July 1, 2026 and ending June 30, 2027, the Chief Administrator of the Motor Vehicle Commission shall impose and collect an additional annual fee of \$270 upon every zero-emission vehicle to be registered;

(4) beginning July 1, 2027 and ending June 30, 2028, the Chief Administrator of the Motor Vehicle Commission shall impose and collect an additional annual fee of \$280 upon every zero-emission vehicle to be registered; and

(5) beginning July 1, 2028, and for each year thereafter, the Chief Administrator of the Motor Vehicle Commission shall impose and collect an additional annual fee of \$290 upon every zero-emission vehicle to be registered.

b. The fee established pursuant to subsection a. of this section shall accrue and shall be collectible upon each zero-emission vehicle under the same circumstances and shall be payable in the same manner and times as apply to vehicle registrations under the provisions of Article 2 of chapter 3 of Title 39 of the Revised Statutes, provided the fee shall be paid in full for the then current year at the time any zero-emission vehicle is first registered in a calendar year.

c. Fees collected pursuant to subsection a. of this section shall be credited to the "Transportation Trust Fund Account," established pursuant to section 20 of P.L.1984, c.73

(C.27:1B-20), in accordance with the provisions of subsection e. of section 20 of P.L.1984, c.73 (C.27:1B-20).

d. As used in this section, "zero-emission vehicle" means a vehicle certified as a zero-emission vehicle pursuant to the California Air Resources Board zero-emission vehicle standards for the applicable model year, but shall not include any other type of vehicle that may be delivered by a manufacturer for sale or lease to satisfy the zero-emission vehicle requirement established by the California Air Resources Board in lieu of a vehicle that qualifies as a pure zero-emission vehicle.

Repealer.

9. Section 19 of P.L.2016, c.57 (C.52:18A-257) is repealed.

10. This act shall take effect immediately.

Approved March 26, 2024.

**ASSEMBLY, No. 4011**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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INTRODUCED MARCH 4, 2024

**Sponsored by:**

**Assemblyman CLINTON CALABRESE**

**District 36 (Bergen and Passaic)**

**Assemblyman BENJIE E. WIMBERLY**

**District 35 (Bergen and Passaic)**

**Assemblywoman YVONNE LOPEZ**

**District 19 (Middlesex)**

**Assemblywoman GARNET R. HALL**

**District 28 (Essex and Union)**

**Senator PAUL A. SARLO**

**District 36 (Bergen and Passaic)**

**Senator NICHOLAS P. SCUTARI**

**District 22 (Somerset and Union)**

**Co-Sponsored by:**

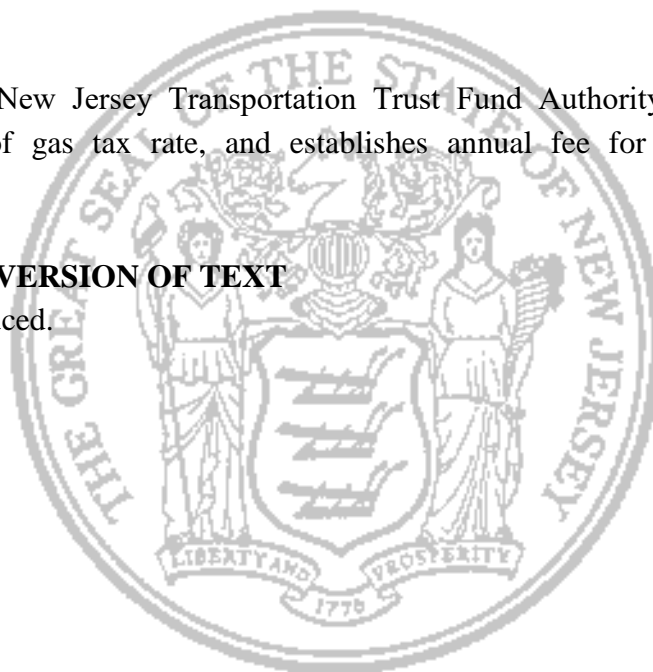
**Assemblywomen Reynolds-Jackson and Carter**

**SYNOPSIS**

Revises “New Jersey Transportation Trust Fund Authority Act,” revises calculation of gas tax rate, and establishes annual fee for zero emission vehicles.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/18/2024)**

1 AN ACT concerning the financing and construction of transportation  
2 infrastructure in the State, revising various parts of the statutory  
3 law, and supplementing Title 39 of the Revised Statutes.

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

7  
8 1. Section 3 of P.L.1984, c.73 (C.27:1B-3) is amended to read  
9 as follows:

10 3. The following words or terms as used in this act shall have  
11 the following meaning unless a different meaning clearly appears  
12 from the context:

13 "Act" means this New Jersey Transportation Trust Fund  
14 Authority Act of 1984 as amended and supplemented.

15 "Authority" means the New Jersey Transportation Trust Fund  
16 Authority created by section 4 of this act.

17 "Bonds" means bonds issued by the authority pursuant to the act  
18 and includes prior bonds and transportation program bonds.

19 "Circle of Mobility" means an essential group of related transit  
20 projects that include (1) the New Jersey Urban Core Project, as  
21 defined in section 3031 of the "Intermodal Surface Transportation  
22 Efficiency Act of 1991," Pub.L.102-240, and consisting of the  
23 following elements: Secaucus Transfer, Kearny Connection,  
24 Waterfront Connection, Northeast Corridor Signal System, Hudson  
25 River Waterfront Transportation System, Newark-Newark  
26 International Airport-Elizabeth Transit Link, a rail connection  
27 between Penn Station Newark and Broad Street Station, Newark,  
28 New York Penn Station Concourse, and the equipment needed to  
29 operate revenue service associated with improvements made by the  
30 project, and (2) the modification and reconstruction of the West  
31 Shore Line in Bergen County connected to Allied  
32 Junction/Secaucus Transfer Meadowlands Rail Center; the  
33 construction of a rail station and associated components at the  
34 Meadowlands Sports Complex; the modification and reconstruction  
35 of the Susquehanna and Western Railway, as defined and provided  
36 in section 3035 (a) of the "Intermodal Surface Transportation  
37 Efficiency Act of 1991"; the modification and reconstruction of the  
38 Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex  
39 and Warren Counties to the North Jersey Transportation Rail  
40 Centers; and commuter rail service in the central New Jersey region  
41 terminating at the proposed Lakewood Transportation Center in  
42 Ocean County or other location, as determined by the Board of the  
43 New Jersey Transit Corporation, pursuant to a resolution of the  
44 board providing for the achievement of a consensus among the  
45 interested parties as to the direction of the proposed rail line;

**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 provided, however, that this 2000 amendatory act shall not be  
2 construed as affecting any priorities which may have been assigned  
3 to any other project in the Circle of Mobility.

4 "Commissioner" means the Commissioner of Transportation.

5 "Department" means the Department of Transportation.

6 "Federal aid highway" means any highway within the State in  
7 connection with which the State receives payment or reimbursement  
8 from the federal government under the terms of Title 23, United  
9 States Code or any amendment, successor, or replacement thereof,  
10 for the purposes contained in the act.

11 "Federal government" means the United States of America, and  
12 any office, department, board, commission, bureau, division,  
13 corporation, agency, or instrumentality thereof.

14 "New Jersey Highway Authority" means the public corporation  
15 created by section 4 of P.L.1952, c.16 (C.27:12B-4) or its  
16 successor.

17 "New Jersey Turnpike Authority" means the public corporation  
18 created by section 3 of P.L.1948, c.454 (C.27:23-3) or its successor.

19 "Notes" means the notes issued by the authority pursuant to the  
20 act.

21 "Permitted maintenance" means, in relation to public  
22 transportation projects and transportation projects, direct costs of  
23 work necessary for preserving or maintaining the useful life of  
24 public transportation projects and transportation projects,  
25 respectively, provided the work performed is associated with the  
26 acquisition, installation, and rehabilitation of components which are  
27 not included in the normal operating maintenance of equipment and  
28 facilities or replaced on a scheduled basis. The work shall ensure  
29 the useful life of the public transportation project or transportation  
30 project for not less than five years and shall not include routine  
31 maintenance or inspection of equipment and facilities that is  
32 conducted on a scheduled basis. This definition shall not apply to  
33 the term "maintenance" as used in the definition of "public  
34 highways." In relation to public highways, "permitted maintenance"  
35 means the direct costs of work necessary for preserving or  
36 maintaining the useful life of public highways, provided the work is  
37 not associated with the regular and routine maintenance of public  
38 highways and their components. The work shall ensure the useful  
39 life of the transportation project for not less than five years.

40 "Prior bonds" means bonds issued pursuant to the authorization  
41 contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds  
42 issued to refund such prior bonds.

43 "Public highways" means public roads, streets, expressways,  
44 freeways, parkways, motorways and boulevards, including bridges,  
45 tunnels, overpasses, underpasses, interchanges, rest areas, express  
46 bus roadways, bus pullouts and turnarounds, park-ride facilities,  
47 traffic circles, grade separations, traffic control devices, the  
48 elimination or improvement of crossings of railroads and highways,

1 whether at grade or not at grade, bicycle and pedestrian pathways  
2 and pedestrian and bicycle bridges traversing public highways and  
3 any facilities, equipment, property, rights of way, easements and  
4 interests therein needed for the construction, improvement, and  
5 maintenance of highways.

6 "Public transportation project" means, in connection with public  
7 transportation service, passenger stations, shelters and terminals,  
8 automobile parking facilities, ferries and ferry facilities, including  
9 capital projects for ferry terminals, approach roadways, pedestrian  
10 accommodations, parking, docks, and other necessary land-side  
11 improvements, ramps, track connections, signal systems, power  
12 systems, information and communication systems, roadbeds, transit  
13 lanes or rights of way, equipment storage, pedestrian walkways and  
14 bridges connecting to passenger stations and servicing facilities,  
15 bridges, grade crossings, rail cars, locomotives, motorbuses and  
16 other motor vehicles, maintenance and garage facilities, revenue  
17 handling equipment and any other equipment, facility, or property  
18 useful for or related to the provision of public transportation  
19 service.

20 "South Jersey Transportation Authority" means the public  
21 corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or  
22 its successor.

23 "State agency" means any office, department, board,  
24 commission, bureau, division, agency, or instrumentality of the  
25 State.

26 "Toll road authorities" means and includes the New Jersey  
27 Turnpike Authority, the New Jersey Highway Authority, or its  
28 successor, and the South Jersey Transportation Authority.

29 "Transportation program bonds" means bonds issued pursuant to  
30 the authorization contained in P.L.2012, c.13, P.L.2016, c.56,  
31 P.L. , c. (C. ) (pending before the Legislature as this bill),  
32 and any bonds issued to refund such transportation program bonds.

33 "Transportation project" means, in addition to public highways  
34 and public transportation projects, any equipment, facility or  
35 property useful or related to the provision of any ground,  
36 waterborne, or air transportation for the movement of people and  
37 goods including rail freight infrastructure, which equipment,  
38 facility, or property may be acquired by purchase or lease.

39 "Transportation system" means public highways, public  
40 transportation projects, other transportation projects, and all other  
41 surface, airborne, and waterborne methods of transportation for the  
42 movement of people and goods.

43 (cf: P.L.2016, c.56, s.1)

44

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

47 9. a. The authority shall have the power and is hereby  
48 authorized after November 15, 1984 and from time to time

1 thereafter to issue its bonds, notes or other obligations in principal  
2 amounts as in the opinion of the authority shall be necessary to  
3 provide for any of its corporate purposes, including the payment,  
4 funding or refunding of the principal of, or interest or redemption  
5 premiums on, any bonds, notes or other obligations issued by it,  
6 whether the bonds, notes, obligations or interest to be funded or  
7 refunded have or have not become due; and to provide for the  
8 security thereof and for the establishment or increase of reserves to  
9 secure or to pay the bonds, notes or other obligations or interest  
10 thereon and all other reserves and all costs or expenses of the  
11 authority incident to and necessary or convenient to carry out its  
12 corporate purposes and powers; and in addition to its bonds, notes  
13 and other obligations, the authority shall have the power to issue  
14 subordinated indebtedness, which shall be subordinate in lien to the  
15 lien of any or all of its bonds or notes. No resolution or other action  
16 of the authority providing for the issuance of bonds, refunding  
17 bonds, notes, or other obligations shall be adopted or otherwise  
18 made effective by the authority without the prior approval in  
19 writing of the Governor and the State Treasurer.

20 b. Except as may be otherwise expressly provided in the act or  
21 by the authority:

22 (1) Every issue of bonds or notes shall be general obligations  
23 payable out of any revenues or funds of the authority, subject only  
24 to any agreements with the holders of particular bonds or notes  
25 pledging any particular revenues or funds. The authority may  
26 provide the security and payment provisions for its bonds or notes  
27 as it may determine, including (without limiting the generality of  
28 the foregoing) bonds or notes as to which the principal and interest  
29 are payable from and secured by all or any portion of the revenues  
30 of and payments to the authority, and other moneys or funds as the  
31 authority shall determine, provided that for transportation program  
32 bonds or notes issued in anticipation of such transportation program  
33 bonds, only revenues dedicated pursuant to the New Jersey  
34 Constitution, including Article VIII, Section II, paragraph 4, and  
35 deposited into the "Transportation Trust Fund Account -  
36 Subaccount for Debt Service for Transportation Program Bonds,"  
37 may be used for such payment;

38 (2) In addition, the authority may issue notes, in anticipation of  
39 the issuance of the bonds, provided that the issuance of such notes  
40 shall be subject to the bonding limitations as provided in subsection  
41 i. of this section, and the payment of such notes if issued in  
42 anticipation of the issuance of transportation program bonds shall  
43 be paid solely from revenues dedicated pursuant to the New Jersey  
44 Constitution, including Article VIII, Section II, paragraph 4, and  
45 deposited into the "Transportation Trust Fund Account -  
46 Subaccount for Debt Service for Transportation Program Bonds."  
47 The authority may also issue notes in anticipation of the receipt of  
48 appropriations, grants, reimbursements or other funds, including

1 without limitation grants from the federal government for federal  
2 aid highways or public transportation systems, the principal of or  
3 interest on which, or both, shall be payable out of the proceeds of  
4 appropriations, grants, reimbursements or other funds, including  
5 without limitation grants from the federal government for federal  
6 aid highways or public transportation systems. Such notes shall not  
7 be subject to the bonding limitations as provided in subsection i. of  
8 this section; and

9 (3) The authority may also enter into bank loan agreements,  
10 lines of credit and other security agreements as authorized pursuant  
11 to subsection h. of section 6 of P.L.1984, c.73 (C.27:1B-6) and  
12 obtain for or on its behalf letters of credit in each case for the  
13 purpose of securing its bonds, notes or other obligations or to  
14 provide direct payment of any costs which the authority is  
15 authorized to pay by this act and to secure repayment of any  
16 borrowings under the loan agreement, line of credit, letter of credit  
17 or other security agreement by its bonds, notes or other obligations  
18 or the proceeds thereof or by any or all of the revenues of and  
19 payments to the authority or by any appropriation, grant or  
20 reimbursement to be received by the authority and other moneys or  
21 funds as the authority shall determine, provided that for any such  
22 agreements entered into in connection with transportation program  
23 bonds issued pursuant to the authorization contained in subsection i.  
24 of this section, or notes issued in anticipation of such transportation  
25 program bonds, only revenues dedicated pursuant to the New Jersey  
26 Constitution, including Article VIII, Section II, paragraph 4, and  
27 deposited into the "Transportation Trust Fund Account -  
28 Subaccount for Debt Service for Transportation Program Bonds,"  
29 may be used for such payment.

30 c. Whether or not the bonds and notes are of the form and  
31 character as to be negotiable instruments under the terms of Title  
32 12A, Commercial Transactions, New Jersey Statutes, the bonds and  
33 notes are hereby made negotiable instruments within the meaning of  
34 and for all the purposes of Title 12A of the New Jersey Statutes.

35 d. Bonds or notes of the authority shall be authorized by a  
36 resolution or resolutions of the authority and may be issued in one  
37 or more series and shall bear the date, or dates, mature at the time  
38 or times, bear interest at the rate or rates of interest per annum, be  
39 in the denomination or denominations, be in the form, carry the  
40 conversion or registration privileges, have the rank or priority, be  
41 executed in the manner, be payable from the sources, in the medium  
42 of payment, at the place or places within or without the State, and  
43 be subject to the terms of redemption (with or without premium) as  
44 the resolution or resolutions may provide. Bonds or notes may be  
45 further secured by a trust indenture between the authority and a  
46 corporate trustee within or without the State. All other obligations  
47 of the authority shall be authorized by resolution containing terms  
48 and conditions as the authority shall determine.

1 e. Bonds, notes or other obligations of the authority may be  
2 sold at public or private sale at a price or prices and in a manner as  
3 the authority shall determine, either on a negotiated or on a  
4 competitive basis. Every bond, or refunding bond, issued on or after  
5 the effective date of P.L.2006, c.3 (C.27:1B-22.2 et al.) shall mature  
6 and be paid no later than 31 years from the date of the issuance of  
7 that bond or refunding bond.

8 f. Bonds or notes may be issued and other obligations incurred  
9 under the provisions of the act without obtaining the consent of any  
10 department, division, commission, board, bureau or agency of the  
11 State, other than the approval as required by subsection a. of this  
12 section, and without any other proceedings or the happening of any  
13 other conditions or other things than those proceedings, conditions  
14 or things which are specifically required by the act.

15 g. Bonds, notes and other obligations of the authority issued or  
16 incurred under the provisions of the act shall not be in any way a  
17 debt or liability of the State or of any political subdivision thereof  
18 other than the authority and shall not create or constitute any  
19 indebtedness, liability or obligation of the State or of any political  
20 subdivision or be or constitute a pledge of the faith and credit of the  
21 State or of any political subdivision, but all bonds, notes and  
22 obligations, unless funded or refunded by bonds, notes or other  
23 obligations of the authority, shall be payable solely from revenues  
24 or funds pledged or available for their payment as authorized in the  
25 act. Each bond, note or other obligation shall contain on its face a  
26 statement to the effect that the authority is obligated to pay the  
27 principal thereof or the interest thereon only from revenues or funds  
28 of the authority, and for transportation program bonds and  
29 agreements securing such transportation program bonds only from  
30 revenues dedicated pursuant to the New Jersey Constitution,  
31 including Article VIII, Section II, paragraph 4, and deposited into  
32 the "Transportation Trust Fund Account - Subaccount for Debt  
33 Service for Transportation Program Bonds," and that neither the  
34 State nor any political subdivision thereof is obligated to pay the  
35 principal or interest and that neither the faith and credit nor the  
36 taxing power of the State or any political subdivision thereof is  
37 pledged to the payment of the principal of or the interest on the  
38 bonds, notes or other obligations. For the purposes of this  
39 subsection, political subdivision does not include the authority.

40 h. All expenses incurred in carrying out the provisions of the  
41 act shall be payable solely from the revenues or funds provided or  
42 to be provided under or pursuant to the provisions of the act and  
43 nothing in the act shall be construed to authorize the authority to  
44 incur any indebtedness or liability on behalf of or payable by the  
45 State or any political subdivision thereof.

46 i. Commencing with the fiscal year beginning July 1, 1995 and  
47 ending within the fiscal year beginning July 1, 2005, the authority  
48 shall not incur debt in any fiscal year in excess of \$650,000,000,

1 except that if that permitted amount of debt, or any portion thereof,  
2 is not incurred in a fiscal year it may be incurred in a subsequent  
3 fiscal year. Commencing with the fiscal year beginning July 1, 2006  
4 and ending with the fiscal year beginning on July 1, 2010, the  
5 authority shall not incur debt for any fiscal year in excess of  
6 \$1,600,000,000, reduced in each of those fiscal years by the amount  
7 by which the appropriation of State funds to the Transportation  
8 Trust Fund Account for that fiscal year shall exceed \$895,000,000;  
9 provided, however, that if a portion of that permitted amount of  
10 debt, less any reduction as provided above, is not incurred in a  
11 fiscal year, an amount not greater than the unused portion may be  
12 incurred in a subsequent fiscal year in addition to the amount  
13 otherwise permitted. Debt permitted for the fiscal year beginning  
14 July 1, 2006 may be incurred prior to July 1, 2006. The authority  
15 shall not issue transportation program bonds in excess of  
16 \$1,247,000,000 for the fiscal year beginning July 1, 2012, in excess  
17 of \$849,200,000 for the fiscal year beginning July 1, 2013, in  
18 excess of \$735,300,000 for the fiscal year beginning July 1, 2014,  
19 and in excess of \$626,800,000 for the fiscal year beginning July 1,  
20 2015, except that (1) if that permitted amount of transportation  
21 program bonds, or any portion thereof, is not incurred in a fiscal  
22 year, it may be issued in a subsequent fiscal year and (2) 30 percent  
23 of the permitted amount of transportation program bonds for a fiscal  
24 year may be issued in the fiscal year preceding such fiscal year  
25 provided that (a) any transportation program bonds issued pursuant  
26 to this paragraph shall be deducted from the authorization for the  
27 fiscal year from which it was taken, and (b) the proceeds of any  
28 such transportation program bonds shall not be encumbered until  
29 the fiscal year from which the deduction of the authorization was  
30 taken pursuant to this paragraph. Transportation program bonds  
31 authorized to be issued for the fiscal year beginning July 1, 2012  
32 may be issued prior to July 1, 2012. Commencing on the day that  
33 Assembly Concurrent Resolution No. 1 of 2015, a constitutional  
34 amendment to Article VIII, Section II, paragraph 4 of the New  
35 Jersey Constitution, takes effect, and ending June 30, ~~2024~~ 2029,  
36 the authority shall not issue transportation program bonds in excess  
37 of ~~[\$12,000,000,000]~~ \$15,600,000,000. Any increase in this  
38 limitation shall only occur if so provided for by law. In computing  
39 the foregoing limitation as to the amount of bonds the authority may  
40 issue, the authority may exclude any bonds, notes or other  
41 obligations, including subordinated obligations of the authority,  
42 issued for refunding purposes; except that, for the fiscal year  
43 beginning July 1, 2016 and thereafter, any net premiums received in  
44 connection with the issuance of transportation program bonds shall  
45 count against any limitation as to the amount of transportation  
46 program bonds the authority may issue. The payment of debt  
47 service on transportation program bonds and any agreements issued  
48 in connection with such transportation program bonds shall be paid

1 solely from revenues dedicated pursuant to the New Jersey  
2 Constitution, including Article VIII, Section II, paragraph 4, and  
3 deposited into the "Transportation Trust Fund Account -  
4 Subaccount for Debt Service for Transportation Program Bonds."

5 j. Upon the decision by the authority to issue refunding bonds  
6 pursuant to this section, and prior to the sale of those bonds, the  
7 authority shall transmit to the Joint Budget Oversight Committee, or  
8 its successor, a report that a decision has been made, reciting the  
9 basis on which the decision was made, including an estimate of the  
10 debt service savings to be achieved and the calculations upon which  
11 the authority relied when making the decision to issue refunding  
12 bonds. The report shall also disclose the intent of the authority to  
13 issue and sell the refunding bonds at public or private sale and the  
14 reasons therefor.

15 k. The Joint Budget Oversight Committee, or its successor,  
16 shall have authority to approve or disapprove the sale of refunding  
17 bonds as included in each report submitted in accordance with  
18 subsection j. of this section. The committee shall approve or  
19 disapprove the sale of refunding bonds within 10 business days  
20 after physical receipt of the report. The committee shall notify the  
21 authority in writing of the approval or disapproval as expeditiously  
22 as possible.

23 l. No refunding bonds shall be issued unless the report has  
24 been submitted to and approved by the Joint Budget Oversight  
25 Committee, or its successor, as set forth in subsection k. of this  
26 section.

27 m. Within 30 days after the sale of the refunding bonds, the  
28 authority shall notify the Joint Budget Oversight Committee, or its  
29 successor, of the result of that sale, including the prices and terms,  
30 conditions and regulations concerning the refunding bonds, and the  
31 actual amount of debt service savings to be realized as a result of  
32 the sale of refunding bonds.

33 n. The Joint Budget Oversight Committee, or its successor,  
34 shall, however, review all information and reports submitted in  
35 accordance with this section and may, on its own initiative, make  
36 observations and recommendations to the authority or to the  
37 Legislature, or both, as it deems appropriate.

38 o. No refunding bonds shall be issued unless the authority shall  
39 first determine that the present value of the aggregate principal of  
40 and interest on the refunding bonds is less than the present value of  
41 the aggregate principal of and interest on the outstanding bonds to  
42 be refinanced, except that, for the purposes of this limitation,  
43 present value shall be computed using a discount rate equal to the  
44 yield of those refunding bonds, and yield shall be computed using  
45 an actuarial method based upon a 360-day year with semiannual  
46 compounding and upon the prices paid to the authority by the initial  
47 purchasers of those refunding bonds.

48 (cf: P.L.2016, c.56, s.2)

1       3. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to  
2 read as follows:

3       20. There is hereby established in the General Fund an account  
4 entitled "Transportation Trust Fund Account," which shall consist  
5 of three subaccounts entitled: "Transportation Trust Fund Account -  
6 Subaccount for Debt Service for Prior Bonds," "Transportation  
7 Trust Fund Account - Subaccount for Debt Service for  
8 Transportation Program Bonds," and "Transportation Trust Fund  
9 Account - Subaccount for Capital Reserves." During the fiscal year  
10 beginning July 1, 1984 and during each succeeding fiscal year in  
11 which the authority has bonds, notes or other obligations  
12 outstanding, the treasurer shall credit to the "Transportation Trust  
13 Fund Account - Subaccount for Debt Service for Prior Bonds" a  
14 portion of the revenues derived from the following, as determined  
15 by the treasurer, and to the "Transportation Trust Fund Account -  
16 Subaccount for Debt Service for Transportation Program Bonds"  
17 and "Transportation Trust Fund Account - Subaccount for Capital  
18 Reserves" only revenues dedicated pursuant to the New Jersey  
19 Constitution, including Article VIII, Section II, paragraph 4, which  
20 are also derived under subsection a. of this section and from the  
21 petroleum products gross receipts and sales tax as set forth in  
22 subsection d. of this section; and to the "Transportation Trust Fund  
23 Account - Subaccount for Capital Reserves," the revenues derived  
24 from the additional annual fee for zero emission vehicles, as set  
25 forth in subsection e. of this section:

26       a. An amount equivalent to all revenue derived from the  
27 collection of the tax imposed on the sale of motor fuels pursuant to  
28 chapter 39 of Title 54 of the Revised Statutes, as provided in Article  
29 VIII, Section II, paragraph 4 of the State Constitution;

30       b. (Deleted by amendment, P.L.2000, c.73).

31       c. An amount equivalent to moneys received by the State in  
32 accordance with contracts entered into with toll road authorities or  
33 other State agencies, provided that effective with the fiscal year  
34 beginning July 1, 1988 the amount so credited shall not be less than  
35 \$24,500,000 in any fiscal year.

36       The treasurer shall also credit to the "Transportation Trust Fund  
37 Account - Subaccount for Debt Service for Prior Bonds," in  
38 accordance with a contract between the treasurer and the authority,  
39 an amount equivalent to the sum of the revenues due from the  
40 increase of fees for motor vehicle registrations collected pursuant to  
41 the amendment to R.S.39:3-20 made by section 32 of P.L.1984,  
42 c.73 and from the increase in the tax on diesel fuels imposed  
43 pursuant to the amendment to R.S.54:39-27 made by section 35 of  
44 P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section  
45 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22  
46 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-  
47 103), provided that the total amount credited during the fiscal year  
48 beginning July 1, 1984 shall not be less than \$20,000,000 and that

1 the total amount credited during the fiscal year beginning July 1,  
2 1985 and during every fiscal year thereafter shall not be less than  
3 \$30,000,000.

4 In addition to the amounts credited to the account by this section,  
5 commencing with the fiscal year beginning July 1, 1995 and every  
6 fiscal year thereafter, there shall be appropriated from the General  
7 Fund such additional amounts as are necessary to carry out the  
8 provisions of this act and beginning July 1, 2000 the fees collected  
9 pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-  
10 63) shall be credited to the account for the purposes of this act,  
11 provided, however, the amount credited from such fees during any  
12 fiscal year shall not be less than \$60,000,000.

13 d. In addition to the amount credited in subsection a. of this  
14 section: beginning January 1 following approval by the voters an  
15 amount equivalent to the revenue derived from the tax imposed on  
16 the sale of petroleum products pursuant to P.L.1990, c.42  
17 (C.54:15B-1 et seq.), provided, however, such amount shall not be  
18 less than \$100,000,000 in the period January 1 through June 30  
19 following approval by the voters and shall not be less than  
20 \$200,000,000 in any fiscal year through the fiscal year commencing  
21 July 1, 2015; and in the fiscal year commencing July 1, 2016, an  
22 amount equivalent to all revenue derived from the sale of petroleum  
23 products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in  
24 each year thereafter; and for the fiscal year commencing July 1,  
25 2001 and for each fiscal year thereafter an amount equivalent to the  
26 revenue derived from the tax imposed under the "Sales and Use Tax  
27 Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor  
28 vehicles, provided, however, that such amount shall not be less than  
29 \$200,000,000 for the fiscal year commencing July 1, 2003 and for  
30 each fiscal year thereafter, as provided in Article VIII, Section II,  
31 paragraph 4 of the State Constitution.

32 No later than the fifth business day of the month following the  
33 month in which a credit has been made, the treasurer shall pay to  
34 the authority, for its purposes as provided herein, the amounts then  
35 credited to the "Transportation Trust Fund Account - Subaccount  
36 for Debt Service for Prior Bonds," "Transportation Trust Fund  
37 Account - Subaccount for Debt Service for Transportation Program  
38 Bonds," and "Transportation Trust Fund Account - Subaccount for  
39 Capital Reserves," provided that the payments to the authority shall  
40 be subject to and dependent upon appropriations being made from  
41 time to time by the Legislature of the amounts thereof for the  
42 purposes of the act, and further provided that the revenues  
43 deposited into the "Transportation Trust Fund Account -  
44 Subaccount for Debt Service for Transportation Program Bonds"  
45 and "Transportation Trust Fund Account - Subaccount for Capital  
46 Reserves" shall consist solely of revenues which are dedicated  
47 pursuant to the New Jersey Constitution, including Article VIII,  
48 Section II, paragraph 4, and subsections a. and d. of this section.

1 In the event that the amount of appropriations and other revenues  
2 made available to the authority are greater than the amount of  
3 appropriations and other revenues needed to meet the statutory  
4 purposes of the authority in a fiscal year, any of those additional  
5 amounts, which are dedicated pursuant to the New Jersey  
6 Constitution, including Article VIII, Section II, paragraph 4, and  
7 subsections a. and d. of this section, may be deposited into the  
8 "Transportation Trust Fund Account - Subaccount for Capital  
9 Reserves." Monies deposited in the "Transportation Trust Fund  
10 Account - Subaccount for Capital Reserves" shall be held in reserve  
11 as a means of ensuring the adequacy of funding to meet the future  
12 statutory needs of the authority, and may be transferred to the other  
13 subaccounts of the "Transportation Trust Fund Account" or to the  
14 "Special Transportation Fund" through appropriation by the  
15 Legislature for any statutory need of the authority.

16 e. For the fiscal year beginning July 1, 2024 and each fiscal  
17 year thereafter, an amount equivalent to the sum of all revenues  
18 derived from the imposition of an additional annual fee collected  
19 upon zero emission vehicles pursuant to section 8 of P.L. ,  
20 c. (C. ) (pending before the Legislature as this bill) shall be  
21 credited to the "Transportation Trust Fund Account - Subaccount  
22 for Capital Reserves" to be used for transportation projects. No  
23 portion of these revenues shall be appropriated to pay debt service  
24 on transportation system bonds, transportation program bonds, or  
25 any other bonds, notes or other obligations, including subordinated  
26 obligations of the authority; provided, however, if such fee  
27 revenues are dedicated pursuant to the New Jersey Constitution,  
28 including Article VIII, Section II, paragraph 4, such fee revenues  
29 may then be deposited into the "Transportation Trust Fund Account  
30 - Subaccount for Debt Service for Transportation Program Bonds"  
31 and used to pay debt service on transportation program bonds and  
32 any agreements issued in connection with such transportation  
33 program bonds.

34 (cf: P.L.2016, c.56, s.3)

35  
36 4. Section 8 of P.L.1987, c.460 (C.27:1B-21.1) is amended to  
37 read as follows:

38 8. a. Commencing with the reports of the commissioner, which  
39 shall include the Transportation Master Plan, Statewide Capital  
40 Investment Strategy, Annual Transportation Capital Program,  
41 Transportation Trust Fund Authority Financial Plan, and Five-Year  
42 Capital Plan, as may be amended, required to be submitted pursuant  
43 to section 22 of P.L.1984, c.73 (C.27:1B-22) on or before March 1,  
44 2006 and on each succeeding March 1 thereafter through March 1,  
45 2015, the annual amount so reported by the commissioner for  
46 proposed projects shall not exceed \$1,600,000,000 exclusive of  
47 federal funds, and beginning with the reports due March 1, 2016,  
48 and on each succeeding March 1 thereafter through March 1, 2023,

1 the amount so reported by the commissioner for proposed projects  
2 shall not exceed an aggregate \$16,600,000,000 over that eight year  
3 period, and beginning with the reports due March 1, 2024, and on  
4 each succeeding March 1 thereafter through March 1, 2028, the  
5 amount so reported by the commissioner for proposed projects shall  
6 not exceed an aggregate \$10,367,000,000 over that five-year period.

7 b. For the fiscal year beginning on July 1, 2006 and for each  
8 fiscal year thereafter through the fiscal year beginning on July 1,  
9 2011, the total annual amount authorized to be appropriated from  
10 the revenues and other nonfederal funds of the New Jersey  
11 Transportation Trust Fund Authority for the projects listed in the  
12 appropriations act pursuant to section 21 of P.L.1984, c.73  
13 (C.27:1B-21) shall not exceed \$1,600,000,000, all amounts  
14 exclusive of federal funds. The total amount authorized to be  
15 appropriated from the revenues and other nonfederal funds of the  
16 New Jersey Transportation Trust Fund Authority for the projects  
17 listed in the appropriations act pursuant to section 21 of P.L.1984,  
18 c.73 (C.27:1B-21) shall not exceed: \$1,247,000,000 for the fiscal  
19 year beginning on July 1, 2012; \$1,224,000,000 for the fiscal year  
20 beginning on July 1, 2013; \$1,225,000,000 for the fiscal year  
21 beginning on July 1, 2014; and \$1,247,000,000 for the fiscal year  
22 beginning on July 1, 2015. The total amount authorized to be  
23 appropriated from the revenues and other nonfederal funds of the  
24 New Jersey Transportation Trust Fund Authority for the projects  
25 listed in the appropriations act pursuant to section 21 of P.L.1984,  
26 c.73 (C.27:1B-21) shall not exceed an aggregate \$16,600,000,000 in  
27 total for the fiscal year beginning on July 1, 2016 through the fiscal  
28 year beginning on July 1, 2023. The total amount authorized to be  
29 appropriated from the revenues and other nonfederal funds of the  
30 New Jersey Transportation Trust Fund Authority for the projects  
31 listed in the appropriations act pursuant to section 21 of P.L.1984,  
32 c.73 (C.27:1B-21) shall not exceed:

33 (1) \$2,000,000,000 for State Fiscal Year 2025;

34 (2) \$2,000,000,000 for State Fiscal Year 2026;

35 (3) \$2,060,000,000 for State Fiscal Year 2027; provided,  
36 however, in addition to any additional set-aside required under  
37 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
38 \$60,000,000 of the amount authorized pursuant to this subsection  
39 shall be allocated as follows: 25 percent as State aid to counties for  
40 transportation projects pursuant to subsection e. of section 25 of  
41 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
42 municipalities for transportation projects pursuant to subsection c.  
43 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
44 projects of the Department of Transportation; and 25 percent for  
45 projects of the New Jersey Transit Corporation;

46 (4) \$2,122,000,000 for State Fiscal Year 2028; provided,  
47 however, in addition to any additional set-aside required under  
48 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,

1 \$122,000,000 of the amount authorized pursuant to this subsection  
2 shall be allocated as follows: 25 percent as State aid to counties for  
3 transportation projects pursuant to subsection e. of section 25 of  
4 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
5 municipalities for transportation projects pursuant to subsection c.  
6 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
7 projects of the Department of Transportation; and 25 percent for  
8 projects of the New Jersey Transit Corporation; and

9 (5) \$2,185,000,000 for State Fiscal Year 2029; provided,  
10 however, in addition to any additional set-aside required under  
11 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
12 \$185,000,000 of the amount authorized pursuant to this subsection  
13 shall be allocated as follows: 25 percent as State aid to counties for  
14 transportation projects pursuant to subsection e. of section 25 of  
15 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
16 municipalities for transportation projects pursuant to subsection c.  
17 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
18 projects of the Department of Transportation; and 25 percent for  
19 projects of the New Jersey Transit Corporation.

20 c. (Deleted by amendment, P.L.1991, c.40)

21 d. (Deleted by amendment, P.L.1992, c.10)

22 e. The State Auditor shall provide for a unified annual audit of  
23 expenditures from the "Special Transportation Fund," established  
24 by section 21 of P.L.1984, c.73 (C.27:1B-21), in order to determine  
25 that these funds are expended for costs eligible for funding from the  
26 authority and in a manner consistent with appropriations made by  
27 the Legislature. The findings of such audits shall be transmitted to  
28 the presiding officer of each House of the Legislature, and to the  
29 Chair of the Senate Budget and Appropriations Committee, the  
30 Senate Transportation Committee, the Assembly Appropriations  
31 Committee, and the Assembly Transportation and Independent  
32 Authorities Committee or their successors.

33 f. The State Auditor shall review bond issuances of the  
34 authority and report to the Joint Budget Oversight Committee and  
35 to the members of the Senate Budget and Appropriations  
36 Committee and the Assembly Appropriations Committee, or their  
37 successors, on the status of the bonds of the authority and projects  
38 financed from the proceeds of the bonds. The report shall include  
39 the investment status of all unexpended bond proceeds and provide  
40 a description of any bond issues expected during a fiscal year,  
41 including type of issue, estimated amount of bonds to be issued and  
42 the expected month of sale.

43 (cf: P.L.2022, c.38, s.1)

44  
45 5. Section 6 of P.L.2006, c.3 (C.27:1B-22.2) is amended to  
46 read as follows:

47 6. There is hereby created in the Executive Branch of the State  
48 Government, a body corporate and politic, with corporate

1 succession, to be known as the Transportation Policy Review  
2 Board. For the purpose of complying with the provisions of Article  
3 V, Section IV, paragraph 1 of the New Jersey Constitution, the  
4 board is hereby allocated within the Department of Transportation,  
5 but, notwithstanding that allocation, the board shall be independent  
6 of any supervision or control by the department or by any body or  
7 officer thereof. The board is hereby constituted as an  
8 instrumentality of the State exercising public and essential  
9 governmental functions, and the exercise by the board of the powers  
10 conferred by this act shall be deemed and held to be an essential  
11 governmental function of the State.

12 The board shall be comprised of nine public members with  
13 experience in transportation finance and policy. The Governor shall  
14 appoint three of the members with the advice and consent of the  
15 Senate, two of whom shall be experts that perform academic  
16 research in the areas of transportation and public transportation  
17 policy, planning, or engineering, and one of whom shall be an  
18 expert in the area of transportation capital finance. The remaining  
19 members shall be appointed by the Governor as follows: two upon  
20 the recommendation of the President of the Senate, one upon the  
21 recommendation of the Minority Leader of the Senate, two upon the  
22 recommendation of the Speaker of the General Assembly, and one  
23 upon the recommendation of the Minority Leader of the General  
24 Assembly. Each member shall have a professional background in  
25 passenger rail service, freight rail management, transportation  
26 capital planning, transportation and public transportation capital  
27 construction, federal transportation policy, State transportation  
28 policy, or transportation capital finance. Each member shall serve  
29 for a four-year term and shall serve until the member's successor is  
30 appointed and qualified; provided, however, that in order to achieve  
31 non-concurrent terms, of the members first appointed pursuant to  
32 this section, two members appointed by the Governor shall serve for  
33 four years; while the three members appointed upon the  
34 recommendations of the President of the Senate and the Minority  
35 Leader of the Senate and the three members appointed upon the  
36 recommendations of the Speaker of the General Assembly and the  
37 Minority Leader of the General Assembly shall serve for three years  
38 each, and the remaining member appointed by the Governor shall  
39 serve for two years; and further provided that any member serving  
40 on the effective date of P.L.2016, c.56 (C.27:1B-22.5 et al.) shall  
41 serve until the expiration of that member's term, notwithstanding  
42 the criteria for appointment established pursuant to P.L.2016, c.56  
43 (C.27:1B-22.5 et al.). The Transportation Policy Review Board  
44 shall be deemed to be constituted immediately upon appointment  
45 and qualification in the manner provided in this section of at least  
46 five members.

47 The purpose of the board is to assure fiscal discipline through  
48 evaluating the financing of transportation; independently analyzing

1 and reporting on the cost effectiveness of spending in the  
2 transportation capital program; conducting and commissioning  
3 research on best practices in the areas of transportation and public  
4 transportation construction, planning, finance, and engineering;  
5 providing policy recommendations to the Legislature on the best  
6 ways to organize the capital program and appropriate capital  
7 program funds; and preparing an annual State of Condition of  
8 Transportation Financing certification.

9 The board shall annually appear before the Senate Budget and  
10 Appropriations Committee, or its successor, and the Assembly  
11 Budget Committee, or its successor, and provide independent  
12 analysis of the transportation capital program, provide comments on  
13 the cost effectiveness of the program, evaluate the condition of the  
14 State transportation system, and identify needed infrastructure  
15 investments. The board shall annually appear before the Senate  
16 Transportation Committee, or its successor, and the Assembly  
17 Transportation and Independent Authorities Committee, or its  
18 successor, and report on best practices and cost savings in areas  
19 related to transportation and public transportation construction,  
20 planning, finance, infrastructure, and governance. The board shall  
21 also make itself available to the aforementioned budget and  
22 transportation committees to conduct research and provide  
23 recommendations on policy issues that those committees request of  
24 the board. The board shall issue an annual report on or before June  
25 1 of each year which summarizes the work of the board for the prior  
26 year, evaluates the reports issued by the department pursuant to  
27 section 22 of P.L.1984, c.73 (C.27:1B-22), and provides  
28 independent recommendations for administering the annual capital  
29 program.

30 The board shall be provided with a budget each year to be funded  
31 through the capital program, and the budget shall be sufficient to  
32 allow the board to commission independent research from academic  
33 and other experts in the area of research to be conducted, to avail  
34 itself of any professional or consultant services necessary to  
35 perform its functions, and to complete the reports and certifications  
36 required pursuant to this section.

37 The board may call to its assistance and avail itself of the  
38 services of the employees of any State, county, or municipal  
39 department, board, bureau, task force, or agency as it may require  
40 and as may be available to it for its purposes, and to employ  
41 stenographic and clerical assistance and incur traveling and other  
42 miscellaneous expenses necessary to perform its duties, within the  
43 limits of funds appropriated or otherwise made available to it for its  
44 purposes.

45 The board shall submit reports to the Governor, and to the  
46 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
47 no later than April 1, 2017 concerning the taxation of motor  
48 vehicles that are powered by a fuel source that is not subject to the

1 motor fuels tax pursuant to P.L.2010, c.22 (C.54:39-101 et seq.) or  
2 the petroleum products gross receipts tax pursuant to P.L.1990, c.42  
3 (C.54:15B-1 et seq.), including, but not limited to electric vehicles  
4 and hydrogen fuel cell vehicles. The report required pursuant to this  
5 subsection shall include recommendations to the Legislature for a  
6 new system of taxation that mandates that all vehicles operating on  
7 the highways of this State contribute equitably to the cost of  
8 maintaining the State transportation system.

9 The State of Condition of Transportation Financing certification  
10 shall ensure that the financing and expenditures of the New Jersey  
11 Transportation Trust Fund Authority (the "authority") adhere to  
12 certain standards. The standards are: a. The bonding limitation as  
13 provided in subsection i. of section 9 of P.L.1984, c.73 (C.27:1B-9).  
14 b. For the fiscal year commencing July 1, 2007, the amount  
15 expended from the revenues and other funds of the authority for  
16 permitted maintenance shall not exceed the amount expended for  
17 permitted maintenance in the fiscal year commencing July 1, 2006.  
18 c. The total amount authorized to be appropriated from the revenues  
19 and other funds of the authority for project costs commencing with  
20 the fiscal year beginning July 1, 2007 through the fiscal year  
21 beginning July 1, 2015 shall not exceed \$1,600,000,000 annually,  
22 and for the fiscal year beginning on July 1, 2016 through the fiscal  
23 year beginning on July 1, 2023 shall not exceed an aggregate  
24 \$16,000,000,000 over that eight-year period, and for the fiscal year  
25 beginning on July 1, 2024 through the fiscal year beginning on July  
26 1, 2028 shall not exceed an aggregate \$10,367,000,000 over that  
27 five-year period.

28 Commencing with the fiscal year beginning July 1, 2007, the  
29 board shall submit to the Governor, the Legislature, and the  
30 commissioner on an annual basis the State of Condition of  
31 Transportation Financing certification as to the requirements of  
32 certification standard a. referencing therein a certification with  
33 regard to certification standards b. and c. to the extent feasible,  
34 given the other provisions of this section. The certifications shall be  
35 based on the board's review of the State's fiscal year final  
36 expenditures from the preceding fiscal year, including bonding and  
37 expenditures from the annual independent audit of the authority,  
38 and the amount of authority funds programmed for permitted  
39 maintenance. If the capital program and its financing are found to  
40 be in compliance, the first annual certification required by this  
41 paragraph shall be submitted by February 1, 2008, after the  
42 certification is concurred with by the members of the authority, and  
43 by February 1 of each year thereafter. The board shall advise the  
44 commissioner and the authority on February 1, 2008 and on each  
45 succeeding February 1, if the board finds that the authority is not in  
46 compliance with the bonding requirements as provided in  
47 certification standard a. of the section, and that a corrective action  
48 plan is needed. The authority shall submit a corrective action plan

1 that would reduce its future bond sales to offset the amount of  
2 excess bonding or to reduce future debt service payments, or both,  
3 as the case may be. Upon approval of the corrective action plan by  
4 the board, the certification shall be issued with certain conditions.  
5 The Annual Transportation Capital Program submitted to the  
6 Legislature for the forthcoming year shall be in compliance with the  
7 provisions of the corrective action plan. If the board does not  
8 approve the corrective action plan, the authority shall submit a  
9 financial plan showing bonding only for existing projects, noting  
10 that no bonds shall be issued for new projects shown in the  
11 department's Annual Transportation Capital Program. The board  
12 shall advise the commissioner on February 1, 2008 and on each  
13 succeeding February 1, if the board finds that the Department of  
14 Transportation has exceeded the limitation for the amount of  
15 authority funds spent on permitted maintenance pursuant to  
16 certification standard b. of this section, or for the amount authorized  
17 to be appropriated for project costs pursuant to certification  
18 standard c. of this section and that a corrective action plan is  
19 needed. The department shall submit a corrective action plan that  
20 would offset the excess amount spent, or the excess amount  
21 appropriated, in the prior year with less funding for permitted  
22 maintenance or for projects, as the case may be, in the proposed  
23 capital budget request. Upon approval of the corrective action plan  
24 by the board, a certification as to these matters shall be issued with  
25 certain conditions. The Annual Transportation Capital Program  
26 submitted to the Legislature for the forthcoming year shall be in  
27 compliance with the provisions of the corrective action plan. If the  
28 board does not approve the corrective action plan, the authority  
29 shall submit a financial plan showing bonding only for existing  
30 projects, noting that no bonds shall be issued for new projects  
31 shown in the department's Annual Transportation Capital Program.  
32 (cf: P.L.2016, c.56, s.7)

33

34 6. Section 25 of P.L.1984, c.73 (C.27:1B-25) is amended to  
35 read as follows:

36 25. a. Notwithstanding the provisions of subtitle 4 of Title 27 of  
37 the Revised Statutes and P.L.1946, c.301 (C.27:15A-1 et seq.), the  
38 commissioner may, pursuant to appropriations or authorizations  
39 being made from time to time by the Legislature according to law,  
40 allocate to counties and municipalities funds for the planning,  
41 acquisition, engineering, construction, reconstruction, repair,  
42 resurfacing and rehabilitation of public highways and the planning,  
43 acquisition, engineering, construction, reconstruction, repair,  
44 maintenance and rehabilitation of public transportation projects and  
45 of other transportation projects which a county or municipality may  
46 be authorized by law to undertake.

47 b. The commissioner shall, pursuant to appropriations or  
48 authorizations being made from time to time by the Legislature

1 according to law, allocate at his discretion State aid to counties and  
 2 municipalities for transportation projects, except that the amount to  
 3 be appropriated for this program shall be seven percent of the total  
 4 amount appropriated pursuant to subsection d. of this section. This  
 5 State aid shall be set aside prior to any formula allocations provided  
 6 for in subsections c., d., e., f., and g. of this section, and shall be  
 7 known as the "Local Aid Infrastructure Fund." In the fiscal year  
 8 commencing July 1, 2016, any amount appropriated to the Local  
 9 Aid Infrastructure Fund above \$7,500,000 shall be deposited into  
 10 the State Transportation Infrastructure Bank Fund, established  
 11 pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4).

12 c. The commissioner shall, pursuant to appropriations or  
 13 authorizations being made from time to time by the Legislature  
 14 according to law and pursuant to the provisions of subsections b.  
 15 and d. of this section, allocate State aid to municipalities for public  
 16 highways under their jurisdiction. The amount to be appropriated  
 17 shall be allocated on the basis of the following distribution factor:

$$18 \qquad \qquad \qquad \text{Pc} \qquad \qquad \text{Cm}$$

$$19 \qquad \text{DF} = \qquad \frac{\quad}{\text{Ps}} \qquad + \qquad \frac{\quad}{\text{Sm}}$$

$$20 \qquad \qquad \qquad \text{Ps} \qquad \qquad \text{Sm}$$

- 21 where, DF equals the distribution factor
- 22 Pc equals county population
- 23 Ps equals State population
- 24 Cm equals municipal road mileage within the county
- 25 Sm equals municipal road mileage within the State.

26 After the amount of aid has been allocated based on the above  
 27 formula, the commissioner shall determine priority for the funding  
 28 of municipal projects within each county, based upon criteria  
 29 relating to volume of traffic, safety considerations, growth  
 30 potential, readiness to obligate funds, and local taxing capacity. In  
 31 addition to the above criteria used in determining priority of  
 32 funding of municipal projects in each county, the commissioner  
 33 shall consider whether a project is intended to remedy hazardous  
 34 conditions as identified for the purposes of providing transportation  
 35 pursuant to N.J.S.18A:39-1.2 for school pupils or to improve  
 36 pedestrian safety.

37 For the purposes of this subsection, (1) "population" means the  
 38 official population count as reported by the New Jersey Department  
 39 of Labor and Workforce Development; and (2) "municipal road  
 40 mileage" means that road mileage under the jurisdiction of  
 41 municipalities, as determined by the department.

42 d. There shall be appropriated at least \$175,000,000 for each  
 43 fiscal year commencing July 1, 2006 through the fiscal year  
 44 commencing July 1, 2015, and \$400,000,000 for each fiscal year  
 45 commencing July 1, 2016 and for each fiscal year thereafter, for the  
 46 purposes provided herein and in subsections b., c., e., f., and g. of  
 47 this section. (1) Of that appropriation, the commissioner shall  
 48 allocate 37.5 percent of the total appropriation as State aid for

1 municipalities pursuant to the provisions of subsection c. of this  
2 section, provided that \$5,000,000 for each fiscal year commencing  
3 July 1, 2006 through the fiscal year commencing July 1, 2015, and  
4 \$10,000,000 for each fiscal year commencing July 1, 2016 and for  
5 each fiscal year thereafter of the amount allocated as State aid for  
6 municipalities shall be set aside and sub-allocated as State aid to  
7 any municipality qualifying for aid pursuant to the provisions of  
8 P.L.1978, c.14 (C.52:27D-178 et seq.). The commissioner shall  
9 allocate the aid to each municipality in the same proportion that the  
10 municipality receives aid under P.L.1978, c.14 (C.52:27D-178 et  
11 seq.). (2) The commissioner shall allocate 37.5 percent of the total  
12 appropriation pursuant to the provisions of subsection e. of this  
13 section for the Local County Aid Program. (3) The commissioner  
14 shall allocate seven percent of the total appropriation pursuant to  
15 the provisions of subsection b. of this section for the "Local Aid  
16 Infrastructure Fund." (4) The commissioner shall allocate seven  
17 percent of the appropriation pursuant to the provisions of subsection  
18 f. of this section for the "Local Freight Impact Fund." (5) The  
19 remaining 11 percent of the appropriation shall be allocated  
20 pursuant to the provisions of subsection g. of this section for the  
21 "Local Bridges Fund."

22 The amount of funds allocated as State aid for counties and  
23 municipalities, pursuant to paragraphs (3), (4), and (5) of subsection  
24 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1), shall be in  
25 addition to the amount of any appropriation required pursuant to  
26 this subsection and shall not be subject to any formula allocation  
27 provided for in this subsection, and which amounts shall be  
28 allocated as follows:

29 Of the amounts allocated pursuant to paragraph (3) of subsection  
30 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
31 Year 2027, \$15,000,000 shall be allocated as State aid to counties  
32 for transportation projects pursuant to subsection e. of this section,  
33 and \$15,000,000 shall be allocated as State aid to municipalities for  
34 transportation projects pursuant to subsection c. of this section;

35 Of the amounts allocated pursuant to paragraph (4) of subsection  
36 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
37 Year 2028, \$30,500,000 shall be allocated as State aid to counties  
38 for transportation projects pursuant to subsection e. of this section,  
39 and \$30,500,000 shall be allocated as State aid to municipalities for  
40 transportation projects pursuant to subsection c. of this section; and

41 Of the amounts allocated pursuant to paragraph (5) of subsection  
42 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
43 Year 2029, \$46,250,000 shall be allocated as State aid to counties  
44 for transportation projects pursuant to subsection e. of this section,  
45 and \$46,250,000 shall be allocated as State aid to municipalities for  
46 transportation projects pursuant to subsection c. of this section.

47 e. The commissioner may, pursuant to appropriations or  
48 authorizations being made from time to time by the Legislature

1 according to law, allocate additional funding to the Local County  
2 Aid Program for public highway projects, in accordance with a  
3 formula similar to that provided for in subsection c. of this section,  
4 except that Cm equals road mileage under county jurisdiction and  
5 Sm equals total county road mileage within the State.

6 f. The commissioner shall, pursuant to appropriations or  
7 authorizations being made from time to time by the Legislature  
8 according to law, allocate at the commissioner's discretion, State aid  
9 to counties and municipalities for transportation projects that  
10 address the impacts of freight travel in local communities and on  
11 local transportation infrastructure, except that the amount to be  
12 appropriated for this program shall be seven percent of the total  
13 amount appropriated pursuant to subsection d. of this section. This  
14 State aid shall be set aside prior to any formula allocations provided  
15 for in subsections c., d., e., and g. of this section, and shall be  
16 known as the "Local Freight Impact Fund."

17 g. The commissioner shall, pursuant to appropriations or  
18 authorizations being made from time to time by the Legislature  
19 according to law, allocate at the commissioner's discretion, State aid  
20 to counties and municipalities for transportation projects that  
21 address the condition of bridges under the jurisdiction of counties  
22 with an emphasis on repair and reconstruction of those with the  
23 greatest structural deficiencies, except that the amount to be  
24 appropriated for this program shall be 11 percent of the total  
25 amount appropriated pursuant to subsection d. of this section. This  
26 State aid shall be set aside prior to any formula allocations provided  
27 for in subsections c., d., e., and f. of this section, and shall be  
28 known as the "Local Bridges Fund."

29 (cf: P.L.2016, c.56, s.9)

30

31 7. Section 3 of P.L.1990, c.42 (C.54:15B-3) is amended to read  
32 as follows:

33 3. a. (1) (a) There is imposed on each company which is  
34 engaged in the refining or distribution, or both, of petroleum  
35 products other than highway fuel and aviation fuel and which  
36 distributes such products in this State a tax at the rate of seven  
37 percent of its gross receipts derived from the first sale of petroleum  
38 products within this State and there is imposed on each company  
39 which is engaged in the refining or distribution, or both, of highway  
40 fuel a tax at the rate of 12.85 percent, as adjusted pursuant to  
41 **subsection** subsections c. and d. of this section, of its gross  
42 receipts derived from the first sale of those products within this  
43 State.

44 (b) The applicable tax rate for gasoline, blended fuel that  
45 contains gasoline or is intended for use as gasoline, and liquefied  
46 petroleum gas, which are taxed as a highway fuel pursuant to  
47 subparagraph (a) of this paragraph, shall be converted to a cents-  
48 per-gallon rate, rounded to the nearest tenth of a cent, and adjusted

1 quarterly by the director, effective on July 1, October 1, January 1,  
2 and April 1, based on the average retail price per gallon of unleaded  
3 regular gasoline in the State, as determined in the most recent  
4 survey of the retail price per gallon of gasoline that includes a  
5 Statewide representative random sample conducted by the Board of  
6 Public Utilities, Office of the Economist, or its successor.

7 (c) The cents-per-gallon rate determined pursuant to  
8 subparagraph (b) of this paragraph shall not be less than the rate  
9 determined for the average retail price per gallon of unleaded  
10 gasoline in the State on July 1, 2016.

11 (d) The applicable tax rate for diesel fuel, blended fuel that  
12 contains diesel fuel or is intended for use as diesel fuel, and  
13 kerosene, other than aviation grade kerosene, which are taxed as a  
14 highway fuel pursuant to subparagraph (a) of this paragraph, shall  
15 be converted to a cents-per-gallon rate, rounded to the nearest tenth  
16 of a cent, and adjusted quarterly by the director, effective on July 1,  
17 October 1, January 1, and April 1, based on the average retail price  
18 per gallon of number 2 diesel in the State, as determined in the most  
19 recent survey of retail diesel fuel prices that includes a Statewide  
20 representative random sample conducted by the Board of Public  
21 Utilities, Office of the Economist, or its successor.

22 Notwithstanding the provisions of subparagraph (a) of this  
23 paragraph to the contrary, for the period from the 2016  
24 implementation date through December 31, 2016, no rate of tax  
25 shall be applied to diesel fuel, blended fuel that contains diesel fuel  
26 or is intended for use as diesel fuel, or kerosene, other than aviation  
27 grade kerosene; for the period from January 1, 2017 through June  
28 30, 2017, the applicable rate for those fuels shall be 70 percent of  
29 the rate otherwise determined pursuant to subparagraph (a) of this  
30 paragraph, and for July 1, 2017 and thereafter the applicable rate for  
31 those fuels determined pursuant to subparagraph (a) of this  
32 paragraph.

33 (e) The cents-per-gallon rate determined pursuant to  
34 subparagraph (d) of this paragraph shall not be less than the rate  
35 determined for the average retail price per gallon of number 2 diesel  
36 in the State on July 1, 2016.

37 (f) The applicable tax rate for fuel oil determined pursuant to  
38 subparagraph (a) of this paragraph shall be converted to a cents-per-  
39 gallon rate, rounded to the nearest tenth of a cent, and adjusted  
40 quarterly by the director, effective on July 1, October 1, January 1,  
41 and April 1, to reflect the average price per gallon, without State or  
42 federal tax included, of retail sales of number 2 fuel oil in the State,  
43 as determined in the most recent survey of retail diesel fuel prices  
44 that included a Statewide representative random sample conducted  
45 by the Board of Public Utilities, Office of the Economist, or its  
46 successor.

47 (g) The cents-per-gallon rate determined pursuant to  
48 subparagraph (f) of this paragraph shall not be less than the rate

1 determined for the average price per gallon, without State or federal  
2 tax included, of retail sales of number 2 fuel oil in the State on July  
3 1, 2016.

4 (h) **【**On and after the 10th day following a certification by the  
5 review council pursuant to subsection c. of section 19 of P.L.2016,  
6 c.57 (C.52:18A-257), no tax shall be imposed pursuant to this  
7 paragraph.**】** (Deleted by amendment, P.L. , c. ) (pending before  
8 the Legislature as this bill)

9 (2) (a) In addition to the tax, if any, imposed by paragraph (1) of  
10 this subsection, a cents-per-gallon tax is imposed on each  
11 company's gross receipts derived from the first sale of petroleum  
12 products within this State on gasoline, blended fuel that contains  
13 gasoline or that is intended for use as gasoline, liquefied petroleum  
14 gas, and aviation fuel at the rate of four cents per gallon; and

15 (b) In addition to the tax, if any, imposed by paragraph (1) of  
16 this subsection, a cents-per-gallon tax is imposed on each  
17 company's gross receipts derived from the first sale of petroleum  
18 products within this State on diesel fuel, blended fuel that contains  
19 diesel fuel or is intended for use as diesel fuel, and kerosene, other  
20 than aviation grade kerosene, at the rate of four cents per gallon  
21 before July 1, 2017 and at the rate of eight cents per gallon on and  
22 after July 1, 2017.

23 b. There is imposed on each company that imports or causes to  
24 be imported, other than by a company subject to and having paid  
25 the tax on those imported petroleum products that have generated  
26 gross receipts taxable under subsection a. of this section, petroleum  
27 products for use or consumption by it within this State a tax at the  
28 rate or rates, determined pursuant to subsection a. of this section, on  
29 the consideration given or contracted to be given and the gallonage  
30 for such petroleum products if the consideration given or contracted  
31 to be given for all such deliveries made during a quarterly period  
32 exceeds \$5,000.

33 c. (1) For State fiscal years 2018 through **【2026】** 2024, the rate  
34 of tax imposed on highway fuel pursuant to subsection a. of this  
35 section shall be adjusted annually so that the total revenue derived  
36 from highway fuel shall not exceed the highway fuel cap amount.

37 (2) The State Treasurer shall, on or before December 31, 2016,  
38 determine the highway fuel cap amount as the sum of:

39 (a) the taxes collected for State Fiscal Year 2016 pursuant to  
40 paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010,  
41 c.22 (C.54:39-103) on highway fuel,

42 (b) the amount derived from taxing the gallonage of highway  
43 fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of  
44 four cents per gallon, and

45 (c) the amount that would have been derived from taxing the  
46 gallonage of highway fuel subject to motor fuel tax in State Fiscal  
47 Year 2016 at the rate of 23 cents per gallon.

1 (3) On or before August 15 of each State Fiscal Year following  
2 State Fiscal Year 2017 through State Fiscal Year 2024, and on or  
3 before November 15 of each State Fiscal Year beginning in State  
4 Fiscal Year 2025, the State Treasurer and the Legislative Budget  
5 and Finance Officer shall determine the total revenue derived from:

6 (a) the taxes collected for the prior State Fiscal Year pursuant to  
7 paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010,  
8 c.22 (C.54:39-103) on highway fuel,

9 (b) the revenue that would be derived from imposing the tax  
10 pursuant to paragraph (2) of subsection a. of this section on  
11 highway fuel at the rate of four cents per gallon, and

12 (c) the revenue derived from the taxation of highway fuel  
13 pursuant to paragraph (1) of subsection a. of this section.

14 (4) **【Upon】** Commencing in State Fiscal Year 2017 and ending  
15 in State Fiscal Year 2024, upon consideration of the result of the  
16 determination pursuant to paragraph (3) of this subsection, and  
17 consultation with the Legislative Budget and Finance Officer, the  
18 State Treasurer shall determine the rate of tax to be imposed on  
19 highway fuel pursuant to subsection a. of this section that will result  
20 in revenue from:

21 (a) the taxes collected on highway fuel for the current State  
22 Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of  
23 section 3 of P.L.2010, c.22 (C.54:39-103),

24 (b) the revenue derived from the tax imposed pursuant to  
25 paragraph (2) of subsection a. of this section on highway fuel at the  
26 rate of four cents per gallon for the current State Fiscal Year, and

27 (c) the revenue derived from the taxation of highway fuel  
28 pursuant to paragraph (1) of subsection a. of this section equaling  
29 the highway fuel cap amount determined pursuant to paragraph (2)  
30 of this subsection, as adjusted pursuant to paragraph (5) of this  
31 subsection; and that rate shall take effect on October 1 of that year.

32 (5) **【If】** Commencing in State Fiscal Year 2017 and ending in  
33 State Fiscal Year 2024, if the actual revenue determined pursuant to  
34 paragraph (3) of this subsection exceeds the highway fuel cap  
35 amount determined pursuant to paragraph (2) of this subsection,  
36 then the highway fuel cap amount for the succeeding year shall be  
37 decreased by the amount of the excess in setting the rate pursuant to  
38 paragraph (4) of this subsection. If the actual revenue determined  
39 pursuant to paragraph (3) of this subsection is less than the highway  
40 fuel cap amount determined pursuant to paragraph (2) of this  
41 subsection, then the highway fuel cap amount for the succeeding  
42 year shall be increased by the amount of the shortfall in setting the  
43 rate pursuant to paragraph (4) of this subsection.

44 d. (1) For State fiscal years 2025 through 2029, the rate of tax  
45 imposed on highway fuel pursuant to subsection a. of this section  
46 shall be adjusted annually so that the total revenue derived from  
47 highway fuel shall not exceed the highway fuel cap amount  
48 determined pursuant to paragraph (2) of this subsection.

1       (2) The highway fuel cap amount in effect for State fiscal years  
2 2025 through 2029 shall be adjusted so that the total revenue  
3 derived from highway fuel shall equal:

4       (a) for State Fiscal Year 2025, \$2,032,000,000;

5       (b) for State Fiscal Year 2026, \$2,115,000,000;

6       (c) for State Fiscal Year 2027, \$2,199,000,000;

7       (d) for State Fiscal Year 2028, \$2,282,000,000; and

8       (e) for State Fiscal Year 2029, \$2,366,000,000.

9       (3) Commencing in State Fiscal Year 2025, upon consideration  
10 of the result of the determination pursuant to paragraph (3) of  
11 subsection c. of this section, and consultation with the Legislative  
12 Budget and Finance Officer, the State Treasurer shall determine the  
13 rate of tax to be imposed on highway fuel pursuant to subsection a.  
14 of this section that will result in revenue from:

15       (a) the taxes collected on highway fuel for the current State  
16 Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of  
17 section 3 of P.L.2010, c.22 (C.54:39-103),

18       (b) the revenue derived from the tax imposed pursuant to  
19 paragraph (2) of subsection a. of this section on highway fuel at the  
20 rate of four cents per gallon for the current State Fiscal Year, and

21       (c) the revenue derived from the taxation of highway fuel  
22 pursuant to paragraph (1) of subsection a. of this section equaling  
23 the highway fuel cap amount determined pursuant to paragraph (2)  
24 of this subsection, as adjusted pursuant to paragraph (4) of this  
25 subsection; and that rate shall take effect on January 1 of that year.

26       (4) Commencing in State Fiscal Year 2025, if the actual revenue  
27 determined pursuant to paragraph (3) of subsection c. of this section  
28 is less than the highway fuel cap amount determined pursuant to  
29 paragraph (2) of this subsection, then the highway fuel cap amount  
30 determined pursuant to paragraph (2) of this subsection for the  
31 succeeding year shall be increased by the amount of the shortfall in  
32 setting the rate pursuant to paragraph (3) of this subsection. If the  
33 actual revenue determined pursuant to paragraph (3) of subsection  
34 c. of this section exceeds the highway fuel cap amount determined  
35 pursuant to paragraph (2) of this subsection, then the highway fuel  
36 cap amount for the succeeding year shall be decreased by the  
37 amount of the excess in setting the rate pursuant to paragraph (3) of  
38 this subsection.

39 (cf: P.L.2016, c.57, s.14)

40  
41       8. (New section) a. In addition to the registration fees  
42 imposed pursuant to Article 2 of chapter 3 of Title 39 of the  
43 Revised Statutes:

44       (1) beginning July 1, 2024 and ending June 30, 2025, the Chief  
45 Administrator of the Motor Vehicle Commission shall impose and  
46 collect an additional annual fee of \$250 upon every zero emission  
47 vehicle to be registered;

1 (2) beginning July 1, 2025 and ending June 30, 2026, the Chief  
2 Administrator of the Motor Vehicle Commission shall impose and  
3 collect an additional annual fee of \$260 upon every zero emission  
4 vehicle to be registered;

5 (3) beginning July 1, 2026 and ending June 30, 2027, the Chief  
6 Administrator of the Motor Vehicle Commission shall impose and  
7 collect an additional annual fee of \$270 upon every zero emission  
8 vehicle to be registered;

9 (4) beginning July 1, 2027 and ending June 30, 2028, the Chief  
10 Administrator of the Motor Vehicle Commission shall impose and  
11 collect an additional annual fee of \$280 upon every zero emission  
12 vehicle to be registered; and

13 (5) beginning July 1, 2028, and for each year thereafter, the  
14 Chief Administrator of the Motor Vehicle Commission shall impose  
15 and collect an additional annual fee of \$290 upon every zero  
16 emission vehicle to be registered.

17 b. The fee established pursuant to subsection a. of this section  
18 shall accrue and shall be collectible upon each zero emission  
19 vehicle under the same circumstances and shall be payable in the  
20 same manner and times as apply to vehicle registrations under the  
21 provisions of Article 2 of chapter 3 of Title 39 of the Revised  
22 Statutes; provided, the fee shall be paid in full for the then current  
23 year at the time any zero emission vehicle is first registered in a  
24 calendar year.

25 c. Fees collected pursuant to subsection a. of this section shall  
26 be credited to the "Transportation Trust Fund Account," established  
27 pursuant to section 20 of P.L.1984, c.73 (C.27:1B-20), in  
28 accordance with the provisions of subsection e. of section 20 of  
29 P.L.1984, c.73 (C.27:1B-20).

30 d. As used in this section, "zero emission vehicle" means a  
31 vehicle certified as a zero emission vehicle pursuant to the  
32 California Air Resources Board zero emission vehicle standards for  
33 the applicable model year, but shall not include any other type of  
34 vehicle that may be delivered by a manufacturer for sale or lease to  
35 satisfy the zero emission vehicle requirement established by the  
36 California Air Resources Board in lieu of a vehicle that qualifies as  
37 a pure zero emission vehicle.

38

39 9. Section 19 of P.L.2016, c.57 (C.52:18A-257) is repealed.

40

41 10. This act shall take effect immediately.

42

43

44

STATEMENT

45

46 This bill amends the "New Jersey Transportation Trust Fund  
47 Authority Act of 1984" to make changes necessary to support the  
48 State's Annual Transportation Capital Program for Fiscal Years

1 2025 through 2029. These changes also revise the rate of tax  
2 imposed on highway fuels under the Petroleum Products Gross  
3 Receipts Tax and establish an additional annual fee for zero  
4 emission vehicles from which all revenues would be dedicated to  
5 the Transportation Trust Fund (TTF).

6

7 *Transportation Trust Fund Authority Renewal*

8 The bill extends and increases the New Jersey Transportation  
9 Trust Fund Authority's (authority) existing authorization to issue  
10 transportation program bonds. Under current law, the authority is  
11 authorized to issue such transportation program bonds as are  
12 necessary to fund the Annual Transportation Capital Program, in an  
13 amount not to exceed \$12 billion, through June 30, 2024. The bill  
14 extends this authorization through June 30, 2029 and increases the  
15 authority's existing aggregate bonding capacity to \$15.6 billion.

16 The bill authorizes \$10.367 billion in capital program  
17 expenditures for a five-year period from Fiscal Year 2025 through  
18 Fiscal Year 2029. Specifically, this bill allows for an average  
19 annual capital program size of \$2 billion from Fiscal Year 2025  
20 through Fiscal Year 2029. However, during Fiscal Years 2027,  
21 2028, and 2029, the bill requires certain amounts appropriated in  
22 excess of \$2 billion to be allocated to counties, municipalities, the  
23 Department of Transportation, and the New Jersey Transit  
24 Corporation for transportation projects.

25 Under current law, the authority is required to count premiums,  
26 and not bond discounts, against its authorized bonding capacity for  
27 transportation program bonds. This bill provides that for Fiscal  
28 Year 2016 and thereafter, any net premiums received by the  
29 authority in connection with the issuance of transportation program  
30 bonds are to be counted against the authority's authorized bonding  
31 capacity. This change allows the authority to account for the value  
32 of remaining bond premiums after subtracting the value of bond  
33 discounts in blended bond issuances when adjusting its bonding  
34 capacity after issuing transportation program bonds.

35

36 *Revision to Rate-Setting Procedure for Determining PPGRT Rate*

37 Under current law, the rate of tax imposed under the Petroleum  
38 Products Gross Receipts Tax (PPGRT) is annually adjusted by the  
39 State Treasurer to ensure that the State realizes a statutorily  
40 prescribed revenue target, more commonly referred to as the  
41 "highway fuel cap," based on 2016 collections of highway fuel  
42 taxes. The cap amount is based on the Fiscal Year 2016 sum of:  
43 (1) the taxes collected on the 12.48 percent and four cent tax rates  
44 for highway fuels taxes, (2) the amount derived from taxing the  
45 gallonage of highway fuel subject to the four cent motor fuel tax,  
46 and (3) the amount that would have been derived from taxing the

1 gallonage of highway fuel subject to the motor fuel tax at a rate of  
2 23 cents per gallon. All revenues collected are deposited into the  
3 TTF to support transportation infrastructure projects and debt  
4 service on transportation bonds. This annual adjustment  
5 mechanism is currently set to expire at the conclusion of State  
6 Fiscal Year 2026.

7 The bill would modify this mechanism, beginning with Fiscal  
8 Year 2025, to gradually raise the highway fuel cap amount through  
9 Fiscal Year 2029. The amount of revenue required to be collected  
10 on highway fuel would be as follows: \$2,032,000,000 in Fiscal  
11 Year 2025; \$2,115,000,000 in Fiscal Year 2026; \$2,199,000,000 in  
12 Fiscal Year 2027; \$2,282,000,000 in Fiscal year 2028; and  
13 \$2,366,000,000 in Fiscal Year 2029. If the actual revenues  
14 generated fall above or below the highway fuel cap amount set for  
15 the fiscal year, the rate of tax would be adjusted accordingly to  
16 ensure the highway fuel cap amount is realized.

17 The bill also provides that after the State Treasurer has  
18 determined the rate of tax pursuant to the bill, the new rate would  
19 take effect on January 1 of Fiscal Year 2025 through Fiscal Year  
20 2029 rather than October 1, as is done under current law.

21

#### 22 *Abolishment of the Review Council*

23 The bill would also abolish the three-member review council  
24 tasked with monitoring the implementation of the PPGRT. The  
25 review council is currently composed of the State Treasurer, the  
26 Legislative Budget and Finance Officer, and a public member  
27 jointly selected by the other two members. Under current law,  
28 following any legislative action that halts, delays, or reverses  
29 implementation of changes to the PPGRT as enacted in 2016, the  
30 review council is required to certify whether the scheduled  
31 implementation of the 2016 changes to the tax have been impeded.

32

#### 33 *Additional Fee for Zero Emission Vehicles*

34 The bill also institutes an additional fee for zero emission  
35 vehicles registered in the State. The fee would be collected by the  
36 Chief Administrator of the Motor Vehicle Commission at the same  
37 time the vehicle is initially registered or renewed, as the case may  
38 be. Beginning on July 1, 2024, the amount of the fee would be  
39 \$250 and increase by \$10 on July 1 of each year until 2028. After  
40 that time, the amount of the fee would be set at \$290.

41 A “zero emission vehicle” is defined under the bill as a vehicle  
42 certified by the California Air Resources Board or a vehicle that  
43 satisfies zero emission vehicle standards for the applicable model  
44 year. Vehicles that are produced in lieu of satisfying zero emission  
45 vehicle requirements would not be subject to the additional fee.

46 These additional fees would be credited to the “Transportation  
47 Trust Fund Account - Subaccount for Capital Reserves” to support

**A4011 CALABRESE, WIMBERLY**

29

1 transportation projects. However, the bill specifies that these  
2 collections may not be used to pay debt service on transportation  
3 system bonds, transportation program bonds, or any other bonds,  
4 notes or other obligations, including subordinated obligations of the  
5 authority until such time as these revenues may be constitutionally  
6 dedicated to the TTF.

ASSEMBLY TRANSPORTATION AND INDEPENDENT  
AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4011

**STATE OF NEW JERSEY**

DATED: MARCH 7, 2024

The Assembly Transportation and Independent Authorities Committee reports favorably Assembly Bill No. 4011.

As reported, this bill amends the “New Jersey Transportation Trust Fund Authority Act of 1984” to make changes necessary to support the State’s Annual Transportation Capital Program for Fiscal Years 2025 through 2029. These changes also revise the rate of tax imposed on highway fuels under the Petroleum Products Gross Receipts Tax and establish an additional annual fee for zero emission vehicles from which all revenues would be dedicated to the Transportation Trust Fund (TTF).

*Transportation Trust Fund Authority Renewal*

The bill extends and increases the New Jersey Transportation Trust Fund Authority’s (authority) existing authorization to issue transportation program bonds. Under current law, the authority is authorized to issue such transportation program bonds as are necessary to fund the Annual Transportation Capital Program, in an amount not to exceed \$12 billion, through June 30, 2024. The bill extends this authorization through June 30, 2029 and increases the authority’s existing aggregate bonding capacity to \$15.6 billion.

The bill authorizes \$10.367 billion in capital program expenditures for a five-year period from Fiscal Year 2025 through Fiscal Year 2029. Specifically, this bill allows for an average annual capital program size of \$2 billion from Fiscal Year 2025 through Fiscal Year 2029. However, during Fiscal Years 2027, 2028, and 2029, the bill requires certain amounts appropriated in excess of \$2 billion to be allocated to counties, municipalities, the Department of Transportation, and the New Jersey Transit Corporation for transportation projects.

Under current law, the authority is required to count premiums, and not bond discounts, against its authorized bonding capacity for transportation program bonds. This bill provides that for Fiscal Year 2017 and thereafter, any net premiums received by the authority in connection with the issuance of transportation program bonds are to be counted against the authority’s authorized bonding capacity. This change allows the authority to account for the value of remaining bond premiums after subtracting the value of bond discounts in blended

bond issuances when adjusting its bonding capacity after issuing transportation program bonds.

*Revision to Rate-Setting Procedure for Determining PPGRT Rate*

Under current law, the rate of tax imposed under the Petroleum Products Gross Receipts Tax (PPGRT) is annually adjusted by the State Treasurer to ensure that the State realizes a statutorily prescribed revenue target, more commonly referred to as the “highway fuel cap,” based on 2016 collections of highway fuel taxes. The cap amount is based on the Fiscal Year 2016 sum of: (1) the taxes collected in Fiscal Year 2016 under the Motor Fuels Tax, (2) the amount derived from taxing the gallonage of highway fuel subject to the four cent motor fuel tax, and (3) the amount that would have been derived from taxing the gallonage of highway fuel subject to the motor fuel tax at a rate of 23 cents per gallon. All revenues collected are deposited into the TTF to support transportation infrastructure projects and debt service on transportation bonds. This annual adjustment mechanism is currently set to expire at the conclusion of State Fiscal Year 2026.

The bill would modify this mechanism, beginning with Fiscal Year 2025, to gradually raise the highway fuel cap amount through Fiscal Year 2029. The amount of revenue required to be collected on highway fuel would be as follows: \$2,032,000,000 in Fiscal Year 2025; \$2,115,000,000 in Fiscal Year 2026; \$2,199,000,000 in Fiscal Year 2027; \$2,282,000,000 in Fiscal year 2028; and \$2,366,000,000 in Fiscal Year 2029. If the actual revenues generated fall above or below the highway fuel cap amount set for the fiscal year, the rate of tax would be adjusted accordingly to ensure the highway fuel cap amount is realized.

The bill also provides that after the State Treasurer has determined the rate of tax pursuant to the bill, the new rate would take effect on January 1 of Fiscal Year 2025 through Fiscal Year 2029 rather than October 1, as is done under current law.

*Abolishment of the Review Council*

The bill would also abolish the three-member review council tasked with monitoring the implementation of the PPGRT. The review council is currently composed of the State Treasurer, the Legislative Budget and Finance Officer, and a public member jointly selected by the other two members. Under current law, following any legislative action that halts, delays, or reverses implementation of changes to the PPGRT as enacted in 2016, the review council is required to certify whether the scheduled implementation of the 2016 changes to the tax have been impeded.

*Additional Fee for Zero Emission Vehicles*

The bill also institutes an additional fee for zero emission vehicles registered in the State. The fee would be collected by the Chief

Administrator of the New Jersey Motor Vehicle Commission at the same time the vehicle is initially registered or renewed, as the case may be. Beginning on July 1, 2024, the amount of the fee would be \$250 and increase by \$10 on July 1 of each year until 2028. After that time, the amount of the fee would be set at \$290.

A “zero emission vehicle” is defined under the bill as a vehicle certified as a zero emission vehicle pursuant to the California Air Resources Board zero emission vehicle standards for the applicable model year. Vehicles that are produced in lieu of satisfying zero emission vehicle requirements would not be subject to the additional fee.

These additional fees would be credited to the “Transportation Trust Fund Account - Subaccount for Capital Reserves” to support transportation projects. However, the bill specifies that these collections may not be used to pay debt service on transportation system bonds, transportation program bonds, or any other bonds, notes or other obligations, including subordinated obligations of the authority until such time as these revenues may be constitutionally dedicated to the TTF.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4011

# STATE OF NEW JERSEY

DATED: MARCH 14, 2024

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4011.

This bill amends the “New Jersey Transportation Trust Fund Authority Act of 1984” to make changes necessary to support the State’s Annual Transportation Capital Program for Fiscal Years 2025 through 2029. These changes also revise the rate of tax imposed on highway fuels under the Petroleum Products Gross Receipts Tax (PPGRT) and establish an additional annual fee for zero emission vehicles from which all revenues would be dedicated to the Transportation Trust Fund (TTF).

#### *Transportation Trust Fund Authority Renewal*

The bill extends and increases the New Jersey Transportation Trust Fund Authority’s (authority) existing authorization to issue transportation program bonds. Under current law, the authority is authorized to issue such transportation program bonds as are necessary to fund the Annual Transportation Capital Program, in an amount not to exceed \$12 billion, through June 30, 2024. The bill extends this authorization through June 30, 2029 and increases the authority’s existing aggregate bonding capacity to \$15.6 billion.

The bill authorizes \$10.367 billion in capital program expenditures for a five-year period from Fiscal Year 2025 through Fiscal Year 2029. Specifically, this bill allows for an average annual capital program size of \$2 billion from Fiscal Year 2025 through Fiscal Year 2029. However, during Fiscal Years 2027, 2028, and 2029, the bill requires certain amounts appropriated in excess of \$2 billion to be allocated to counties, municipalities, the Department of Transportation, and the New Jersey Transit Corporation for transportation projects.

Under current law, the authority is required to count premiums, and not bond discounts, against its authorized bonding capacity for transportation program bonds. This bill provides that for Fiscal Year 2017 and thereafter, any net premiums received by the authority in connection with the issuance of transportation program bonds are to be counted against the authority’s authorized bonding capacity. This change allows the authority to account for the value of remaining bond premiums after subtracting the value of bond discounts in blended bond issuances when adjusting its bonding capacity after issuing transportation program bonds.

*Revision to Rate-Setting Procedure for Determining PPGRT Rate*

Under current law, the rate of tax imposed under the PPGRT is annually adjusted by the State Treasurer to ensure that the State realizes a statutorily prescribed revenue target, more commonly referred to as the “highway fuel cap,” based on 2016 collections of highway fuel taxes. The cap amount is based on the Fiscal Year 2016 sum of: (1) the taxes collected under the Motor Fuels Tax, (2) the amount derived from taxing the gallonage of highway fuel subject to the four cent motor fuel tax, and (3) the amount that would have been derived from taxing the gallonage of highway fuel subject to the motor fuel tax at a rate of 23 cents per gallon. All revenues collected are deposited into the TTF to support transportation infrastructure projects and debt service on transportation bonds. This annual adjustment mechanism is currently set to expire at the conclusion of State Fiscal Year 2026.

The bill would modify this mechanism, beginning with Fiscal Year 2025, to gradually raise the highway fuel cap amount through Fiscal Year 2029. The amount of revenue required to be collected on highway fuel would be as follows: \$2,032,000,000 in Fiscal Year 2025; \$2,115,000,000 in Fiscal Year 2026; \$2,199,000,000 in Fiscal Year 2027; \$2,282,000,000 in Fiscal year 2028; and \$2,366,000,000 in Fiscal Year 2029. If the actual revenues generated fall above or below the highway fuel cap amount set for the fiscal year, the rate of tax would be adjusted accordingly to ensure the highway fuel cap amount is realized.

The bill also provides that after the State Treasurer has determined the rate of tax pursuant to the bill, the new rate would take effect on January 1 of Fiscal Year 2025 through Fiscal Year 2029 rather than October 1, as is done under current law.

*Abolishment of the Review Council*

The bill would also abolish the three-member review council tasked with monitoring the implementation of the PPGRT. The review council is currently composed of the State Treasurer, the Legislative Budget and Finance Officer, and a public member jointly selected by the other two members. Under current law, following any legislative action that halts, delays, or reverses implementation of changes to the PPGRT as enacted in 2016, the review council is required to certify whether the scheduled implementation of the 2016 changes to the tax have been impeded.

*Additional Fee for Zero Emission Vehicles*

The bill also institutes an additional fee for zero emission vehicles registered in the State. The fee would be collected by the Chief Administrator of the New Jersey Motor Vehicle Commission at the same time the vehicle is initially registered or renewed, as the case may be. Beginning on July 1, 2024, the amount of the fee would be

\$250 and increase by \$10 on July 1 of each year until 2028. After that time, the amount of the fee would be set at \$290.

A “zero emission vehicle” is defined under the bill as a vehicle certified as a zero emission vehicle pursuant to the California Air Resources Board or a vehicle that satisfies zero emission vehicle standards for the applicable model year. Vehicles that are produced in lieu of satisfying zero emission vehicle requirements would not be subject to the additional fee.

These additional fees would be credited to the “Transportation Trust Fund Account - Subaccount for Capital Reserves” to support transportation projects. However, the bill specifies that these collections may not be used to pay debt service on transportation system bonds, transportation program bonds, or any other bonds, notes or other obligations, including subordinated obligations of the authority until such time as these revenues may be constitutionally dedicated to the TTF.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) notes that the bill authorizes some \$10.37 billion in appropriations for the State’s Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.33 billion would be passed on as State aid to counties and municipalities for transportation projects.

The bill also provides \$8.9 billion in bonding authority to the Transportation Trust Fund Authority. The OLS lacks the informational basis to determine the par amount of bonds the Authority would newly issue between FY 2025 and FY 2029 as well as the debt service structure it would select, but any additional issuance would increase debt service obligations in the aforementioned five-year period. For reference, the debt service obligations on existing bonds from FY 2025 to FY 2029 total \$9.58 billion.

To cover the bill’s capital program appropriations plus the cost of existing and future debt service on Transportation Trust Fund Authority-issued bonds from FY 2025 through FY 2029, the bill provides \$21.60 billion in resources: some \$12.70 billion in revenue and some \$8.90 billion in bonding authority.

Of the \$12.70 billion in revenue, some \$10.99 billion would be from the combined motor fuels tax and petroleum products gross receipts tax (\$1.19 billion more than under the FY 2024 revenue target for the two taxes), \$1.0 billion from dedicated sales and use tax revenue stream (unchanged from current law), \$650 million from the new registration fee for electric vehicles, and \$60 million from the New Jersey Turnpike Authority (unchanged from current law).

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 4011**  
**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

DATED: MARCH 19, 2024

**SUMMARY**

- Synopsis:** Revises “New Jersey Transportation Trust Fund Authority Act,” revises calculation of gas tax rate, and establishes annual fee for zero emission vehicles.
- Types of Impact:** Increases in State and local government revenues and expenditures.
- Agencies Affected:** New Jersey Transportation Trust Fund Authority, Department of Transportation, New Jersey Transit Corporation, county governments, municipal governments.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2025 through FY 2029</u></b>
<b>Total State Expenditures</b>	\$19.95 Billion Plus Indeterminate Amount of New Debt Service
<b>Total State Revenue</b>	\$12.70 Billion
<b>Total State Bonding</b>	(up to) \$8.87 Billion
<b>Total Local Revenue</b>	\$2.33 Billion
<b>Total Local Expenditures</b>	\$2.33 Billion

- The Office of Legislative Services (OLS) notes that the bill authorizes some \$10.37 billion in appropriations for the State’s Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.33 billion would be passed on as State aid to counties and municipalities for transportation projects.
- In addition to the \$10.37 billion in new appropriations from FY 2025 through FY 2029, the Transportation Trust Fund would also have to pay \$9.58 billion in debt service on existing bonds from FY 2025 through FY 2029 and debt service on any new debt issuances. Although the bill provides \$8.87 billion in bonding authority to the Transportation Trust Fund Authority, the OLS lacks the informational basis to determine the par amount of bonds the Authority may newly issue between FY 2025 and FY 2029 as well as the debt service structure it would select.
- To cover the new capital program appropriations plus the cost of existing and future debt service on Transportation Trust Fund Authority bonds from FY 2025 through FY 2029 (at least



\$19.95 billion), the bill provides \$21.57 billion in estimated resources: some \$12.70 billion in revenue and \$8.87 billion in bonding authority.

- The \$1.62 billion in excess resources would be available for new debt service payments between FY 2025 and FY 2029. For reference, if the Transportation Trust Fund Authority were to sell \$1.75 billion in new bonds per year from FY 2025 to FY 2029, each with a 30-year maturity schedule and equal semi-annual debt service payments at a 5.0 percent interest rate, then new debt service payments from FY 2025 through FY 2029 would total \$1.70 billion.
- Of the \$12.70 billion in estimated revenue, some \$10.99 billion would be from the combined motor fuels tax and petroleum products gross receipts tax (\$1.19 billion more than under the FY 2024 revenue target for the two taxes), \$1.0 billion from the existing sales and use tax dedication (unchanged from current law), \$650 million from the new registration fee for electric vehicles, and \$60 million from the New Jersey Turnpike Authority (unchanged from current law).

## BILL DESCRIPTION

This bill renews the Transportation Trust Fund for FY 2025 through FY 2029 and in support thereof establishes an annual registration fee for zero emission vehicles. Specifically, the bill:

- grants \$10.367 billion in capital program spending authority for the five-year period;
- reauthorizes the \$5.24 billion in unissued bonding capacity under the current eight-year transportation trust fund renewal that would otherwise expire on July 1, 2024;
- provides an additional \$3.60 billion in bonding capacity;
- provides another \$21 million in bonding capacity from newly allowing upward adjustments in bonding capacity for bond discounts granted in the sale of transportation program bonds since FY 2017; under current law bonding capacity is only reduced by the amount of premiums received in the sale of transportation program bonds;
- increases the statutory baseline revenue target for combined motor fuels tax and petroleum products gross receipts tax collections from sales of gasoline and diesel motor fuel, or the baseline “highway fuel cap,” from \$1.948 billion per year to the following amounts before continuing to adjust each fiscal year’s target for any over- or under-collection in the prior fiscal year relative to that year’s adjusted revenue target:
  - a) \$2.032 billion in FY 2025,
  - b) \$2.115 billion in FY 2026,
  - c) \$2.199 billion in FY 2027,
  - d) \$2.282 billion in FY 2028, and
  - e) \$2.366 billion in FY 2029;
- delays by three months, from October 1 to January 1, the implementation of the annual property tax gross receipts tax rate adjustment for sales of gasoline and diesel motor fuel to attain the fiscal year’s adjusted “highway fuel cap”; and
- imposes a new annual registration fee for zero emission vehicles at the rate of \$250 in FY 2025, increasing by \$10 annually until it reaches \$290 per year starting in FY 2029.

## FISCAL ANALYSIS

### *EXECUTIVE BRANCH*

None received.

### *OFFICE OF LEGISLATIVE SERVICES*

The OLS notes that the bill authorizes some \$10.37 billion in appropriations for the State's Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.33 billion would be passed on as State aid to counties and municipalities for transportation projects.

In addition to the \$10.37 billion in new appropriations from FY 2025 through FY 2029, the Transportation Trust Fund would also have to pay \$9.58 billion in debt service on existing bonds from FY 2025 through FY 2029 and debt service on any new debt issuances. Although the bill provides \$8.87 billion in bonding authority to the Transportation Trust Fund Authority, the OLS lacks the informational basis to determine the par amount of bonds the Authority may newly issue between FY 2025 and FY 2029 as well as the debt service structure it would select.

To cover the bill's capital program appropriations plus the cost of existing and future debt service on Transportation Trust Fund Authority-issued bonds from FY 2025 through FY 2029 (at least \$19.95 billion), the bill provides an estimated \$21.57 billion in resources: some \$12.70 billion in projected revenue and some \$8.87 billion in bonding authority.

The \$1.62 billion in excess resources would be available for cumulative new debt service payments in the concerned five-year period. For reference, if the Transportation Trust Fund Authority were to issue \$1.75 billion in new bonds per year from FY 2025 to FY 2029, each with a 30-year maturity schedule and equal semi-annual debt service payments at a 5.0 percent interest rate, then new debt service payments from FY 2025 through FY 2029 would total \$1.70 billion. Of the estimated \$12.70 billion in revenue, some \$10.99 billion would be from the combined motor fuels tax and petroleum products gross receipts tax (\$1.19 billion more than under the FY 2024 revenue target for the two taxes), \$1.0 billion from the existing sales and use tax dedication (unchanged from current law), \$650 million from the new registration fee for electric vehicles, and \$60 million from the New Jersey Turnpike Authority (unchanged from current law). The OLS displays its annual revenue estimate for the new electric vehicle registration fee in the table below.

	<b>Estimated Revenue Gain with Zero Emission Fee</b>	<b>Zero Emission Vehicles Registered</b>
FY 2025	\$ 61,344,061	245,376
FY 2026	\$ 90,892,767	349,588
FY 2027	\$ 125,517,096	464,878
FY 2028	\$ 164,509,726	587,535
FY 2029	\$ 207,391,262	715,142

*Section: Authorities, Utilities, Transportation and Communications*

*Analyst: Michael D. Walker  
Assistant Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

**SENATE, No. 2931**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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INTRODUCED MARCH 4, 2024

**Sponsored by:**

**Senator PAUL A. SARLO**

**District 36 (Bergen and Passaic)**

**Senator NICHOLAS P. SCUTARI**

**District 22 (Somerset and Union)**

**SYNOPSIS**

Revises “New Jersey Transportation Trust Fund Authority Act,” revises calculation of gas tax rate, and establishes annual fee for zero emission vehicles.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the financing and construction of transportation  
2 infrastructure in the State, revising various parts of the statutory  
3 law, and supplementing Title 39 of the Revised Statutes.

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

7  
8 1. Section 3 of P.L.1984, c.73 (C.27:1B-3) is amended to read  
9 as follows:

10 3. The following words or terms as used in this act shall have  
11 the following meaning unless a different meaning clearly appears  
12 from the context:

13 "Act" means this New Jersey Transportation Trust Fund  
14 Authority Act of 1984 as amended and supplemented.

15 "Authority" means the New Jersey Transportation Trust Fund  
16 Authority created by section 4 of this act.

17 "Bonds" means bonds issued by the authority pursuant to the act  
18 and includes prior bonds and transportation program bonds.

19 "Circle of Mobility" means an essential group of related transit  
20 projects that include (1) the New Jersey Urban Core Project, as  
21 defined in section 3031 of the "Intermodal Surface Transportation  
22 Efficiency Act of 1991," Pub.L.102-240, and consisting of the  
23 following elements: Secaucus Transfer, Kearny Connection,  
24 Waterfront Connection, Northeast Corridor Signal System, Hudson  
25 River Waterfront Transportation System, Newark-Newark  
26 International Airport-Elizabeth Transit Link, a rail connection  
27 between Penn Station Newark and Broad Street Station, Newark,  
28 New York Penn Station Concourse, and the equipment needed to  
29 operate revenue service associated with improvements made by the  
30 project, and (2) the modification and reconstruction of the West  
31 Shore Line in Bergen County connected to Allied  
32 Junction/Secaucus Transfer Meadowlands Rail Center; the  
33 construction of a rail station and associated components at the  
34 Meadowlands Sports Complex; the modification and reconstruction  
35 of the Susquehanna and Western Railway, as defined and provided  
36 in section 3035 (a) of the "Intermodal Surface Transportation  
37 Efficiency Act of 1991"; the modification and reconstruction of the  
38 Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex  
39 and Warren Counties to the North Jersey Transportation Rail  
40 Centers; and commuter rail service in the central New Jersey region  
41 terminating at the proposed Lakewood Transportation Center in  
42 Ocean County or other location, as determined by the Board of the  
43 New Jersey Transit Corporation, pursuant to a resolution of the  
44 board providing for the achievement of a consensus among the  
45 interested parties as to the direction of the proposed rail line;

**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 provided, however, that this 2000 amendatory act shall not be  
2 construed as affecting any priorities which may have been assigned  
3 to any other project in the Circle of Mobility.

4 "Commissioner" means the Commissioner of Transportation.

5 "Department" means the Department of Transportation.

6 "Federal aid highway" means any highway within the State in  
7 connection with which the State receives payment or reimbursement  
8 from the federal government under the terms of Title 23, United  
9 States Code or any amendment, successor, or replacement thereof,  
10 for the purposes contained in the act.

11 "Federal government" means the United States of America, and  
12 any office, department, board, commission, bureau, division,  
13 corporation, agency, or instrumentality thereof.

14 "New Jersey Highway Authority" means the public corporation  
15 created by section 4 of P.L.1952, c.16 (C.27:12B-4) or its  
16 successor.

17 "New Jersey Turnpike Authority" means the public corporation  
18 created by section 3 of P.L.1948, c.454 (C.27:23-3) or its successor.

19 "Notes" means the notes issued by the authority pursuant to the  
20 act.

21 "Permitted maintenance" means, in relation to public  
22 transportation projects and transportation projects, direct costs of  
23 work necessary for preserving or maintaining the useful life of  
24 public transportation projects and transportation projects,  
25 respectively, provided the work performed is associated with the  
26 acquisition, installation, and rehabilitation of components which are  
27 not included in the normal operating maintenance of equipment and  
28 facilities or replaced on a scheduled basis. The work shall ensure  
29 the useful life of the public transportation project or transportation  
30 project for not less than five years and shall not include routine  
31 maintenance or inspection of equipment and facilities that is  
32 conducted on a scheduled basis. This definition shall not apply to  
33 the term "maintenance" as used in the definition of "public  
34 highways." In relation to public highways, "permitted maintenance"  
35 means the direct costs of work necessary for preserving or  
36 maintaining the useful life of public highways, provided the work is  
37 not associated with the regular and routine maintenance of public  
38 highways and their components. The work shall ensure the useful  
39 life of the transportation project for not less than five years.

40 "Prior bonds" means bonds issued pursuant to the authorization  
41 contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds  
42 issued to refund such prior bonds.

43 "Public highways" means public roads, streets, expressways,  
44 freeways, parkways, motorways and boulevards, including bridges,  
45 tunnels, overpasses, underpasses, interchanges, rest areas, express  
46 bus roadways, bus pullouts and turnarounds, park-ride facilities,  
47 traffic circles, grade separations, traffic control devices, the  
48 elimination or improvement of crossings of railroads and highways,

1 whether at grade or not at grade, bicycle and pedestrian pathways  
2 and pedestrian and bicycle bridges traversing public highways and  
3 any facilities, equipment, property, rights of way, easements and  
4 interests therein needed for the construction, improvement, and  
5 maintenance of highways.

6 "Public transportation project" means, in connection with public  
7 transportation service, passenger stations, shelters and terminals,  
8 automobile parking facilities, ferries and ferry facilities, including  
9 capital projects for ferry terminals, approach roadways, pedestrian  
10 accommodations, parking, docks, and other necessary land-side  
11 improvements, ramps, track connections, signal systems, power  
12 systems, information and communication systems, roadbeds, transit  
13 lanes or rights of way, equipment storage, pedestrian walkways and  
14 bridges connecting to passenger stations and servicing facilities,  
15 bridges, grade crossings, rail cars, locomotives, motorbuses and  
16 other motor vehicles, maintenance and garage facilities, revenue  
17 handling equipment and any other equipment, facility, or property  
18 useful for or related to the provision of public transportation  
19 service.

20 "South Jersey Transportation Authority" means the public  
21 corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or  
22 its successor.

23 "State agency" means any office, department, board,  
24 commission, bureau, division, agency, or instrumentality of the  
25 State.

26 "Toll road authorities" means and includes the New Jersey  
27 Turnpike Authority, the New Jersey Highway Authority, or its  
28 successor, and the South Jersey Transportation Authority.

29 "Transportation program bonds" means bonds issued pursuant to  
30 the authorization contained in P.L.2012, c.13, P.L.2016, c.56,  
31 P.L. , c. (C. ) (pending before the Legislature as this bill),  
32 and any bonds issued to refund such transportation program bonds.

33 "Transportation project" means, in addition to public highways  
34 and public transportation projects, any equipment, facility or  
35 property useful or related to the provision of any ground,  
36 waterborne, or air transportation for the movement of people and  
37 goods including rail freight infrastructure, which equipment,  
38 facility, or property may be acquired by purchase or lease.

39 "Transportation system" means public highways, public  
40 transportation projects, other transportation projects, and all other  
41 surface, airborne, and waterborne methods of transportation for the  
42 movement of people and goods.

43 (cf: P.L.2016, c.56, s.1)

44

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

47 9. a. The authority shall have the power and is hereby  
48 authorized after November 15, 1984 and from time to time

1 thereafter to issue its bonds, notes or other obligations in principal  
2 amounts as in the opinion of the authority shall be necessary to  
3 provide for any of its corporate purposes, including the payment,  
4 funding or refunding of the principal of, or interest or redemption  
5 premiums on, any bonds, notes or other obligations issued by it,  
6 whether the bonds, notes, obligations or interest to be funded or  
7 refunded have or have not become due; and to provide for the  
8 security thereof and for the establishment or increase of reserves to  
9 secure or to pay the bonds, notes or other obligations or interest  
10 thereon and all other reserves and all costs or expenses of the  
11 authority incident to and necessary or convenient to carry out its  
12 corporate purposes and powers; and in addition to its bonds, notes  
13 and other obligations, the authority shall have the power to issue  
14 subordinated indebtedness, which shall be subordinate in lien to the  
15 lien of any or all of its bonds or notes. No resolution or other action  
16 of the authority providing for the issuance of bonds, refunding  
17 bonds, notes, or other obligations shall be adopted or otherwise  
18 made effective by the authority without the prior approval in  
19 writing of the Governor and the State Treasurer.

20 b. Except as may be otherwise expressly provided in the act or  
21 by the authority:

22 (1) Every issue of bonds or notes shall be general obligations  
23 payable out of any revenues or funds of the authority, subject only  
24 to any agreements with the holders of particular bonds or notes  
25 pledging any particular revenues or funds. The authority may  
26 provide the security and payment provisions for its bonds or notes  
27 as it may determine, including (without limiting the generality of  
28 the foregoing) bonds or notes as to which the principal and interest  
29 are payable from and secured by all or any portion of the revenues  
30 of and payments to the authority, and other moneys or funds as the  
31 authority shall determine, provided that for transportation program  
32 bonds or notes issued in anticipation of such transportation program  
33 bonds, only revenues dedicated pursuant to the New Jersey  
34 Constitution, including Article VIII, Section II, paragraph 4, and  
35 deposited into the "Transportation Trust Fund Account -  
36 Subaccount for Debt Service for Transportation Program Bonds,"  
37 may be used for such payment;

38 (2) In addition, the authority may issue notes, in anticipation of  
39 the issuance of the bonds, provided that the issuance of such notes  
40 shall be subject to the bonding limitations as provided in subsection  
41 i. of this section, and the payment of such notes if issued in  
42 anticipation of the issuance of transportation program bonds shall  
43 be paid solely from revenues dedicated pursuant to the New Jersey  
44 Constitution, including Article VIII, Section II, paragraph 4, and  
45 deposited into the "Transportation Trust Fund Account -  
46 Subaccount for Debt Service for Transportation Program Bonds."  
47 The authority may also issue notes in anticipation of the receipt of  
48 appropriations, grants, reimbursements or other funds, including

1 without limitation grants from the federal government for federal  
2 aid highways or public transportation systems, the principal of or  
3 interest on which, or both, shall be payable out of the proceeds of  
4 appropriations, grants, reimbursements or other funds, including  
5 without limitation grants from the federal government for federal  
6 aid highways or public transportation systems. Such notes shall not  
7 be subject to the bonding limitations as provided in subsection i. of  
8 this section; and

9 (3) The authority may also enter into bank loan agreements,  
10 lines of credit and other security agreements as authorized pursuant  
11 to subsection h. of section 6 of P.L.1984, c.73 (C.27:1B-6) and  
12 obtain for or on its behalf letters of credit in each case for the  
13 purpose of securing its bonds, notes or other obligations or to  
14 provide direct payment of any costs which the authority is  
15 authorized to pay by this act and to secure repayment of any  
16 borrowings under the loan agreement, line of credit, letter of credit  
17 or other security agreement by its bonds, notes or other obligations  
18 or the proceeds thereof or by any or all of the revenues of and  
19 payments to the authority or by any appropriation, grant or  
20 reimbursement to be received by the authority and other moneys or  
21 funds as the authority shall determine, provided that for any such  
22 agreements entered into in connection with transportation program  
23 bonds issued pursuant to the authorization contained in subsection i.  
24 of this section, or notes issued in anticipation of such transportation  
25 program bonds, only revenues dedicated pursuant to the New Jersey  
26 Constitution, including Article VIII, Section II, paragraph 4, and  
27 deposited into the "Transportation Trust Fund Account -  
28 Subaccount for Debt Service for Transportation Program Bonds,"  
29 may be used for such payment.

30 c. Whether or not the bonds and notes are of the form and  
31 character as to be negotiable instruments under the terms of Title  
32 12A, Commercial Transactions, New Jersey Statutes, the bonds and  
33 notes are hereby made negotiable instruments within the meaning of  
34 and for all the purposes of Title 12A of the New Jersey Statutes.

35 d. Bonds or notes of the authority shall be authorized by a  
36 resolution or resolutions of the authority and may be issued in one  
37 or more series and shall bear the date, or dates, mature at the time  
38 or times, bear interest at the rate or rates of interest per annum, be  
39 in the denomination or denominations, be in the form, carry the  
40 conversion or registration privileges, have the rank or priority, be  
41 executed in the manner, be payable from the sources, in the medium  
42 of payment, at the place or places within or without the State, and  
43 be subject to the terms of redemption (with or without premium) as  
44 the resolution or resolutions may provide. Bonds or notes may be  
45 further secured by a trust indenture between the authority and a  
46 corporate trustee within or without the State. All other obligations  
47 of the authority shall be authorized by resolution containing terms  
48 and conditions as the authority shall determine.

1 e. Bonds, notes or other obligations of the authority may be  
2 sold at public or private sale at a price or prices and in a manner as  
3 the authority shall determine, either on a negotiated or on a  
4 competitive basis. Every bond, or refunding bond, issued on or after  
5 the effective date of P.L.2006, c.3 (C.27:1B-22.2 et al.) shall mature  
6 and be paid no later than 31 years from the date of the issuance of  
7 that bond or refunding bond.

8 f. Bonds or notes may be issued and other obligations incurred  
9 under the provisions of the act without obtaining the consent of any  
10 department, division, commission, board, bureau or agency of the  
11 State, other than the approval as required by subsection a. of this  
12 section, and without any other proceedings or the happening of any  
13 other conditions or other things than those proceedings, conditions  
14 or things which are specifically required by the act.

15 g. Bonds, notes and other obligations of the authority issued or  
16 incurred under the provisions of the act shall not be in any way a  
17 debt or liability of the State or of any political subdivision thereof  
18 other than the authority and shall not create or constitute any  
19 indebtedness, liability or obligation of the State or of any political  
20 subdivision or be or constitute a pledge of the faith and credit of the  
21 State or of any political subdivision, but all bonds, notes and  
22 obligations, unless funded or refunded by bonds, notes or other  
23 obligations of the authority, shall be payable solely from revenues  
24 or funds pledged or available for their payment as authorized in the  
25 act. Each bond, note or other obligation shall contain on its face a  
26 statement to the effect that the authority is obligated to pay the  
27 principal thereof or the interest thereon only from revenues or funds  
28 of the authority, and for transportation program bonds and  
29 agreements securing such transportation program bonds only from  
30 revenues dedicated pursuant to the New Jersey Constitution,  
31 including Article VIII, Section II, paragraph 4, and deposited into  
32 the "Transportation Trust Fund Account - Subaccount for Debt  
33 Service for Transportation Program Bonds," and that neither the  
34 State nor any political subdivision thereof is obligated to pay the  
35 principal or interest and that neither the faith and credit nor the  
36 taxing power of the State or any political subdivision thereof is  
37 pledged to the payment of the principal of or the interest on the  
38 bonds, notes or other obligations. For the purposes of this  
39 subsection, political subdivision does not include the authority.

40 h. All expenses incurred in carrying out the provisions of the  
41 act shall be payable solely from the revenues or funds provided or  
42 to be provided under or pursuant to the provisions of the act and  
43 nothing in the act shall be construed to authorize the authority to  
44 incur any indebtedness or liability on behalf of or payable by the  
45 State or any political subdivision thereof.

46 i. Commencing with the fiscal year beginning July 1, 1995 and  
47 ending within the fiscal year beginning July 1, 2005, the authority  
48 shall not incur debt in any fiscal year in excess of \$650,000,000,

1 except that if that permitted amount of debt, or any portion thereof,  
2 is not incurred in a fiscal year it may be incurred in a subsequent  
3 fiscal year. Commencing with the fiscal year beginning July 1, 2006  
4 and ending with the fiscal year beginning on July 1, 2010, the  
5 authority shall not incur debt for any fiscal year in excess of  
6 \$1,600,000,000, reduced in each of those fiscal years by the amount  
7 by which the appropriation of State funds to the Transportation  
8 Trust Fund Account for that fiscal year shall exceed \$895,000,000;  
9 provided, however, that if a portion of that permitted amount of  
10 debt, less any reduction as provided above, is not incurred in a  
11 fiscal year, an amount not greater than the unused portion may be  
12 incurred in a subsequent fiscal year in addition to the amount  
13 otherwise permitted. Debt permitted for the fiscal year beginning  
14 July 1, 2006 may be incurred prior to July 1, 2006. The authority  
15 shall not issue transportation program bonds in excess of  
16 \$1,247,000,000 for the fiscal year beginning July 1, 2012, in excess  
17 of \$849,200,000 for the fiscal year beginning July 1, 2013, in  
18 excess of \$735,300,000 for the fiscal year beginning July 1, 2014,  
19 and in excess of \$626,800,000 for the fiscal year beginning July 1,  
20 2015, except that (1) if that permitted amount of transportation  
21 program bonds, or any portion thereof, is not incurred in a fiscal  
22 year, it may be issued in a subsequent fiscal year and (2) 30 percent  
23 of the permitted amount of transportation program bonds for a fiscal  
24 year may be issued in the fiscal year preceding such fiscal year  
25 provided that (a) any transportation program bonds issued pursuant  
26 to this paragraph shall be deducted from the authorization for the  
27 fiscal year from which it was taken, and (b) the proceeds of any  
28 such transportation program bonds shall not be encumbered until  
29 the fiscal year from which the deduction of the authorization was  
30 taken pursuant to this paragraph. Transportation program bonds  
31 authorized to be issued for the fiscal year beginning July 1, 2012  
32 may be issued prior to July 1, 2012. Commencing on the day that  
33 Assembly Concurrent Resolution No. 1 of 2015, a constitutional  
34 amendment to Article VIII, Section II, paragraph 4 of the New  
35 Jersey Constitution, takes effect, and ending June 30, ~~2024~~ 2029,  
36 the authority shall not issue transportation program bonds in excess  
37 of ~~[\$12,000,000,000]~~ \$15,600,000,000. Any increase in this  
38 limitation shall only occur if so provided for by law. In computing  
39 the foregoing limitation as to the amount of bonds the authority may  
40 issue, the authority may exclude any bonds, notes or other  
41 obligations, including subordinated obligations of the authority,  
42 issued for refunding purposes; except that, for the fiscal year  
43 beginning July 1, 2016 and thereafter, any net premiums received in  
44 connection with the issuance of transportation program bonds shall  
45 count against any limitation as to the amount of transportation  
46 program bonds the authority may issue. The payment of debt  
47 service on transportation program bonds and any agreements issued  
48 in connection with such transportation program bonds shall be paid

1 solely from revenues dedicated pursuant to the New Jersey  
2 Constitution, including Article VIII, Section II, paragraph 4, and  
3 deposited into the "Transportation Trust Fund Account -  
4 Subaccount for Debt Service for Transportation Program Bonds."

5 j. Upon the decision by the authority to issue refunding bonds  
6 pursuant to this section, and prior to the sale of those bonds, the  
7 authority shall transmit to the Joint Budget Oversight Committee, or  
8 its successor, a report that a decision has been made, reciting the  
9 basis on which the decision was made, including an estimate of the  
10 debt service savings to be achieved and the calculations upon which  
11 the authority relied when making the decision to issue refunding  
12 bonds. The report shall also disclose the intent of the authority to  
13 issue and sell the refunding bonds at public or private sale and the  
14 reasons therefor.

15 k. The Joint Budget Oversight Committee, or its successor,  
16 shall have authority to approve or disapprove the sale of refunding  
17 bonds as included in each report submitted in accordance with  
18 subsection j. of this section. The committee shall approve or  
19 disapprove the sale of refunding bonds within 10 business days  
20 after physical receipt of the report. The committee shall notify the  
21 authority in writing of the approval or disapproval as expeditiously  
22 as possible.

23 l. No refunding bonds shall be issued unless the report has  
24 been submitted to and approved by the Joint Budget Oversight  
25 Committee, or its successor, as set forth in subsection k. of this  
26 section.

27 m. Within 30 days after the sale of the refunding bonds, the  
28 authority shall notify the Joint Budget Oversight Committee, or its  
29 successor, of the result of that sale, including the prices and terms,  
30 conditions and regulations concerning the refunding bonds, and the  
31 actual amount of debt service savings to be realized as a result of  
32 the sale of refunding bonds.

33 n. The Joint Budget Oversight Committee, or its successor,  
34 shall, however, review all information and reports submitted in  
35 accordance with this section and may, on its own initiative, make  
36 observations and recommendations to the authority or to the  
37 Legislature, or both, as it deems appropriate.

38 o. No refunding bonds shall be issued unless the authority shall  
39 first determine that the present value of the aggregate principal of  
40 and interest on the refunding bonds is less than the present value of  
41 the aggregate principal of and interest on the outstanding bonds to  
42 be refinanced, except that, for the purposes of this limitation,  
43 present value shall be computed using a discount rate equal to the  
44 yield of those refunding bonds, and yield shall be computed using  
45 an actuarial method based upon a 360-day year with semiannual  
46 compounding and upon the prices paid to the authority by the initial  
47 purchasers of those refunding bonds.

48 (cf: P.L.2016, c.56, s.2)

1       3. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to  
2 read as follows:

3       20. There is hereby established in the General Fund an account  
4 entitled "Transportation Trust Fund Account," which shall consist  
5 of three subaccounts entitled: "Transportation Trust Fund Account -  
6 Subaccount for Debt Service for Prior Bonds," "Transportation  
7 Trust Fund Account - Subaccount for Debt Service for  
8 Transportation Program Bonds," and "Transportation Trust Fund  
9 Account - Subaccount for Capital Reserves." During the fiscal year  
10 beginning July 1, 1984 and during each succeeding fiscal year in  
11 which the authority has bonds, notes or other obligations  
12 outstanding, the treasurer shall credit to the "Transportation Trust  
13 Fund Account - Subaccount for Debt Service for Prior Bonds" a  
14 portion of the revenues derived from the following, as determined  
15 by the treasurer, and to the "Transportation Trust Fund Account -  
16 Subaccount for Debt Service for Transportation Program Bonds"  
17 and "Transportation Trust Fund Account - Subaccount for Capital  
18 Reserves" only revenues dedicated pursuant to the New Jersey  
19 Constitution, including Article VIII, Section II, paragraph 4, which  
20 are also derived under subsection a. of this section and from the  
21 petroleum products gross receipts and sales tax as set forth in  
22 subsection d. of this section; and to the "Transportation Trust Fund  
23 Account - Subaccount for Capital Reserves," the revenues derived  
24 from the additional annual fee for zero emission vehicles, as set  
25 forth in subsection e. of this section:

26       a. An amount equivalent to all revenue derived from the  
27 collection of the tax imposed on the sale of motor fuels pursuant to  
28 chapter 39 of Title 54 of the Revised Statutes, as provided in Article  
29 VIII, Section II, paragraph 4 of the State Constitution;

30       b. (Deleted by amendment, P.L.2000, c.73).

31       c. An amount equivalent to moneys received by the State in  
32 accordance with contracts entered into with toll road authorities or  
33 other State agencies, provided that effective with the fiscal year  
34 beginning July 1, 1988 the amount so credited shall not be less than  
35 \$24,500,000 in any fiscal year.

36       The treasurer shall also credit to the "Transportation Trust Fund  
37 Account - Subaccount for Debt Service for Prior Bonds," in  
38 accordance with a contract between the treasurer and the authority,  
39 an amount equivalent to the sum of the revenues due from the  
40 increase of fees for motor vehicle registrations collected pursuant to  
41 the amendment to R.S.39:3-20 made by section 32 of P.L.1984,  
42 c.73 and from the increase in the tax on diesel fuels imposed  
43 pursuant to the amendment to R.S.54:39-27 made by section 35 of  
44 P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section  
45 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22  
46 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-  
47 103), provided that the total amount credited during the fiscal year  
48 beginning July 1, 1984 shall not be less than \$20,000,000 and that

1 the total amount credited during the fiscal year beginning July 1,  
2 1985 and during every fiscal year thereafter shall not be less than  
3 \$30,000,000.

4 In addition to the amounts credited to the account by this section,  
5 commencing with the fiscal year beginning July 1, 1995 and every  
6 fiscal year thereafter, there shall be appropriated from the General  
7 Fund such additional amounts as are necessary to carry out the  
8 provisions of this act and beginning July 1, 2000 the fees collected  
9 pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-  
10 63) shall be credited to the account for the purposes of this act,  
11 provided, however, the amount credited from such fees during any  
12 fiscal year shall not be less than \$60,000,000.

13 d. In addition to the amount credited in subsection a. of this  
14 section: beginning January 1 following approval by the voters an  
15 amount equivalent to the revenue derived from the tax imposed on  
16 the sale of petroleum products pursuant to P.L.1990, c.42  
17 (C.54:15B-1 et seq.), provided, however, such amount shall not be  
18 less than \$100,000,000 in the period January 1 through June 30  
19 following approval by the voters and shall not be less than  
20 \$200,000,000 in any fiscal year through the fiscal year commencing  
21 July 1, 2015; and in the fiscal year commencing July 1, 2016, an  
22 amount equivalent to all revenue derived from the sale of petroleum  
23 products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in  
24 each year thereafter; and for the fiscal year commencing July 1,  
25 2001 and for each fiscal year thereafter an amount equivalent to the  
26 revenue derived from the tax imposed under the "Sales and Use Tax  
27 Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor  
28 vehicles, provided, however, that such amount shall not be less than  
29 \$200,000,000 for the fiscal year commencing July 1, 2003 and for  
30 each fiscal year thereafter, as provided in Article VIII, Section II,  
31 paragraph 4 of the State Constitution.

32 No later than the fifth business day of the month following the  
33 month in which a credit has been made, the treasurer shall pay to  
34 the authority, for its purposes as provided herein, the amounts then  
35 credited to the "Transportation Trust Fund Account - Subaccount  
36 for Debt Service for Prior Bonds," "Transportation Trust Fund  
37 Account - Subaccount for Debt Service for Transportation Program  
38 Bonds," and "Transportation Trust Fund Account - Subaccount for  
39 Capital Reserves," provided that the payments to the authority shall  
40 be subject to and dependent upon appropriations being made from  
41 time to time by the Legislature of the amounts thereof for the  
42 purposes of the act, and further provided that the revenues  
43 deposited into the "Transportation Trust Fund Account -  
44 Subaccount for Debt Service for Transportation Program Bonds"  
45 and "Transportation Trust Fund Account - Subaccount for Capital  
46 Reserves" shall consist solely of revenues which are dedicated  
47 pursuant to the New Jersey Constitution, including Article VIII,  
48 Section II, paragraph 4, and subsections a. and d. of this section.

1 In the event that the amount of appropriations and other revenues  
2 made available to the authority are greater than the amount of  
3 appropriations and other revenues needed to meet the statutory  
4 purposes of the authority in a fiscal year, any of those additional  
5 amounts, which are dedicated pursuant to the New Jersey  
6 Constitution, including Article VIII, Section II, paragraph 4, and  
7 subsections a. and d. of this section, may be deposited into the  
8 "Transportation Trust Fund Account - Subaccount for Capital  
9 Reserves." Monies deposited in the "Transportation Trust Fund  
10 Account - Subaccount for Capital Reserves" shall be held in reserve  
11 as a means of ensuring the adequacy of funding to meet the future  
12 statutory needs of the authority, and may be transferred to the other  
13 subaccounts of the "Transportation Trust Fund Account" or to the  
14 "Special Transportation Fund" through appropriation by the  
15 Legislature for any statutory need of the authority.

16 e. For the fiscal year beginning July 1, 2024 and each fiscal  
17 year thereafter, an amount equivalent to the sum of all revenues  
18 derived from the imposition of an additional annual fee collected  
19 upon zero emission vehicles pursuant to section 8 of P.L. ,  
20 c. (C. ) (pending before the Legislature as this bill) shall be  
21 credited to the "Transportation Trust Fund Account - Subaccount  
22 for Capital Reserves" to be used for transportation projects. No  
23 portion of these revenues shall be appropriated to pay debt service  
24 on transportation system bonds, transportation program bonds, or  
25 any other bonds, notes or other obligations, including subordinated  
26 obligations of the authority; provided, however, if such fee  
27 revenues are dedicated pursuant to the New Jersey Constitution,  
28 including Article VIII, Section II, paragraph 4, such fee revenues  
29 may then be deposited into the "Transportation Trust Fund Account  
30 - Subaccount for Debt Service for Transportation Program Bonds"  
31 and used to pay debt service on transportation program bonds and  
32 any agreements issued in connection with such transportation  
33 program bonds.

34 (cf: P.L.2016, c.56, s.3)

35  
36 4. Section 8 of P.L.1987, c.460 (C.27:1B-21.1) is amended to  
37 read as follows:

38 8. a. Commencing with the reports of the commissioner, which  
39 shall include the Transportation Master Plan, Statewide Capital  
40 Investment Strategy, Annual Transportation Capital Program,  
41 Transportation Trust Fund Authority Financial Plan, and Five-Year  
42 Capital Plan, as may be amended, required to be submitted pursuant  
43 to section 22 of P.L.1984, c.73 (C.27:1B-22) on or before March 1,  
44 2006 and on each succeeding March 1 thereafter through March 1,  
45 2015, the annual amount so reported by the commissioner for  
46 proposed projects shall not exceed \$1,600,000,000 exclusive of  
47 federal funds, and beginning with the reports due March 1, 2016,  
48 and on each succeeding March 1 thereafter through March 1, 2023,

1 the amount so reported by the commissioner for proposed projects  
2 shall not exceed an aggregate \$16,600,000,000 over that eight year  
3 period, and beginning with the reports due March 1, 2024, and on  
4 each succeeding March 1 thereafter through March 1, 2028, the  
5 amount so reported by the commissioner for proposed projects shall  
6 not exceed an aggregate \$10,367,000,000 over that five-year period.

7 b. For the fiscal year beginning on July 1, 2006 and for each  
8 fiscal year thereafter through the fiscal year beginning on July 1,  
9 2011, the total annual amount authorized to be appropriated from  
10 the revenues and other nonfederal funds of the New Jersey  
11 Transportation Trust Fund Authority for the projects listed in the  
12 appropriations act pursuant to section 21 of P.L.1984, c.73  
13 (C.27:1B-21) shall not exceed \$1,600,000,000, all amounts  
14 exclusive of federal funds. The total amount authorized to be  
15 appropriated from the revenues and other nonfederal funds of the  
16 New Jersey Transportation Trust Fund Authority for the projects  
17 listed in the appropriations act pursuant to section 21 of P.L.1984,  
18 c.73 (C.27:1B-21) shall not exceed: \$1,247,000,000 for the fiscal  
19 year beginning on July 1, 2012; \$1,224,000,000 for the fiscal year  
20 beginning on July 1, 2013; \$1,225,000,000 for the fiscal year  
21 beginning on July 1, 2014; and \$1,247,000,000 for the fiscal year  
22 beginning on July 1, 2015. The total amount authorized to be  
23 appropriated from the revenues and other nonfederal funds of the  
24 New Jersey Transportation Trust Fund Authority for the projects  
25 listed in the appropriations act pursuant to section 21 of P.L.1984,  
26 c.73 (C.27:1B-21) shall not exceed an aggregate \$16,600,000,000 in  
27 total for the fiscal year beginning on July 1, 2016 through the fiscal  
28 year beginning on July 1, 2023. The total amount authorized to be  
29 appropriated from the revenues and other nonfederal funds of the  
30 New Jersey Transportation Trust Fund Authority for the projects  
31 listed in the appropriations act pursuant to section 21 of P.L.1984,  
32 c.73 (C.27:1B-21) shall not exceed:

- 33 (1) \$2,000,000,000 for State Fiscal Year 2025;  
34 (2) \$2,000,000,000 for State Fiscal Year 2026;  
35 (3) \$2,060,000,000 for State Fiscal Year 2027; provided,  
36 however, in addition to any additional set-aside required under  
37 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
38 \$60,000,000 of the amount authorized pursuant to this subsection  
39 shall be allocated as follows: 25 percent as State aid to counties for  
40 transportation projects pursuant to subsection e. of section 25 of  
41 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
42 municipalities for transportation projects pursuant to subsection c.  
43 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
44 projects of the Department of Transportation; and 25 percent for  
45 projects of the New Jersey Transit Corporation;  
46 (4) \$2,122,000,000 for State Fiscal Year 2028; provided,  
47 however, in addition to any additional set-aside required under  
48 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,

1 \$122,000,000 of the amount authorized pursuant to this subsection  
2 shall be allocated as follows: 25 percent as State aid to counties for  
3 transportation projects pursuant to subsection e. of section 25 of  
4 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
5 municipalities for transportation projects pursuant to subsection c.  
6 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
7 projects of the Department of Transportation; and 25 percent for  
8 projects of the New Jersey Transit Corporation; and

9 (5) \$2,185,000,000 for State Fiscal Year 2029; provided,  
10 however, in addition to any additional set-aside required under  
11 section 25 of P.L.1984, c.73 (C.27:1B-25) for this fiscal year,  
12 \$185,000,000 of the amount authorized pursuant to this subsection  
13 shall be allocated as follows: 25 percent as State aid to counties for  
14 transportation projects pursuant to subsection e. of section 25 of  
15 P.L.1984, c.73 (C.27:1B-25); 25 percent as State aid to  
16 municipalities for transportation projects pursuant to subsection c.  
17 of section 25 of P.L.1984, c.73 (C.27:1B-25); 25 percent for  
18 projects of the Department of Transportation; and 25 percent for  
19 projects of the New Jersey Transit Corporation.

20 c. (Deleted by amendment, P.L.1991, c.40)

21 d. (Deleted by amendment, P.L.1992, c.10)

22 e. The State Auditor shall provide for a unified annual audit of  
23 expenditures from the "Special Transportation Fund," established  
24 by section 21 of P.L.1984, c.73 (C.27:1B-21), in order to determine  
25 that these funds are expended for costs eligible for funding from the  
26 authority and in a manner consistent with appropriations made by  
27 the Legislature. The findings of such audits shall be transmitted to  
28 the presiding officer of each House of the Legislature, and to the  
29 Chair of the Senate Budget and Appropriations Committee, the  
30 Senate Transportation Committee, the Assembly Appropriations  
31 Committee, and the Assembly Transportation and Independent  
32 Authorities Committee or their successors.

33 f. The State Auditor shall review bond issuances of the  
34 authority and report to the Joint Budget Oversight Committee and  
35 to the members of the Senate Budget and Appropriations  
36 Committee and the Assembly Appropriations Committee, or their  
37 successors, on the status of the bonds of the authority and projects  
38 financed from the proceeds of the bonds. The report shall include  
39 the investment status of all unexpended bond proceeds and provide  
40 a description of any bond issues expected during a fiscal year,  
41 including type of issue, estimated amount of bonds to be issued and  
42 the expected month of sale.

43 (cf: P.L.2022, c.38, s.1)

44

45 5. Section 6 of P.L.2006, c.3 (C.27:1B-22.2) is amended to  
46 read as follows:

47 6. There is hereby created in the Executive Branch of the State  
48 Government, a body corporate and politic, with corporate

1 succession, to be known as the Transportation Policy Review  
2 Board. For the purpose of complying with the provisions of Article  
3 V, Section IV, paragraph 1 of the New Jersey Constitution, the  
4 board is hereby allocated within the Department of Transportation,  
5 but, notwithstanding that allocation, the board shall be independent  
6 of any supervision or control by the department or by any body or  
7 officer thereof. The board is hereby constituted as an  
8 instrumentality of the State exercising public and essential  
9 governmental functions, and the exercise by the board of the powers  
10 conferred by this act shall be deemed and held to be an essential  
11 governmental function of the State.

12 The board shall be comprised of nine public members with  
13 experience in transportation finance and policy. The Governor shall  
14 appoint three of the members with the advice and consent of the  
15 Senate, two of whom shall be experts that perform academic  
16 research in the areas of transportation and public transportation  
17 policy, planning, or engineering, and one of whom shall be an  
18 expert in the area of transportation capital finance. The remaining  
19 members shall be appointed by the Governor as follows: two upon  
20 the recommendation of the President of the Senate, one upon the  
21 recommendation of the Minority Leader of the Senate, two upon the  
22 recommendation of the Speaker of the General Assembly, and one  
23 upon the recommendation of the Minority Leader of the General  
24 Assembly. Each member shall have a professional background in  
25 passenger rail service, freight rail management, transportation  
26 capital planning, transportation and public transportation capital  
27 construction, federal transportation policy, State transportation  
28 policy, or transportation capital finance. Each member shall serve  
29 for a four-year term and shall serve until the member's successor is  
30 appointed and qualified; provided, however, that in order to achieve  
31 non-concurrent terms, of the members first appointed pursuant to  
32 this section, two members appointed by the Governor shall serve for  
33 four years; while the three members appointed upon the  
34 recommendations of the President of the Senate and the Minority  
35 Leader of the Senate and the three members appointed upon the  
36 recommendations of the Speaker of the General Assembly and the  
37 Minority Leader of the General Assembly shall serve for three years  
38 each, and the remaining member appointed by the Governor shall  
39 serve for two years; and further provided that any member serving  
40 on the effective date of P.L.2016, c.56 (C.27:1B-22.5 et al.) shall  
41 serve until the expiration of that member's term, notwithstanding  
42 the criteria for appointment established pursuant to P.L.2016, c.56  
43 (C.27:1B-22.5 et al.). The Transportation Policy Review Board  
44 shall be deemed to be constituted immediately upon appointment  
45 and qualification in the manner provided in this section of at least  
46 five members.

47 The purpose of the board is to assure fiscal discipline through  
48 evaluating the financing of transportation; independently analyzing

1 and reporting on the cost effectiveness of spending in the  
2 transportation capital program; conducting and commissioning  
3 research on best practices in the areas of transportation and public  
4 transportation construction, planning, finance, and engineering;  
5 providing policy recommendations to the Legislature on the best  
6 ways to organize the capital program and appropriate capital  
7 program funds; and preparing an annual State of Condition of  
8 Transportation Financing certification.

9 The board shall annually appear before the Senate Budget and  
10 Appropriations Committee, or its successor, and the Assembly  
11 Budget Committee, or its successor, and provide independent  
12 analysis of the transportation capital program, provide comments on  
13 the cost effectiveness of the program, evaluate the condition of the  
14 State transportation system, and identify needed infrastructure  
15 investments. The board shall annually appear before the Senate  
16 Transportation Committee, or its successor, and the Assembly  
17 Transportation and Independent Authorities Committee, or its  
18 successor, and report on best practices and cost savings in areas  
19 related to transportation and public transportation construction,  
20 planning, finance, infrastructure, and governance. The board shall  
21 also make itself available to the aforementioned budget and  
22 transportation committees to conduct research and provide  
23 recommendations on policy issues that those committees request of  
24 the board. The board shall issue an annual report on or before June  
25 1 of each year which summarizes the work of the board for the prior  
26 year, evaluates the reports issued by the department pursuant to  
27 section 22 of P.L.1984, c.73 (C.27:1B-22), and provides  
28 independent recommendations for administering the annual capital  
29 program.

30 The board shall be provided with a budget each year to be funded  
31 through the capital program, and the budget shall be sufficient to  
32 allow the board to commission independent research from academic  
33 and other experts in the area of research to be conducted, to avail  
34 itself of any professional or consultant services necessary to  
35 perform its functions, and to complete the reports and certifications  
36 required pursuant to this section.

37 The board may call to its assistance and avail itself of the  
38 services of the employees of any State, county, or municipal  
39 department, board, bureau, task force, or agency as it may require  
40 and as may be available to it for its purposes, and to employ  
41 stenographic and clerical assistance and incur traveling and other  
42 miscellaneous expenses necessary to perform its duties, within the  
43 limits of funds appropriated or otherwise made available to it for its  
44 purposes.

45 The board shall submit reports to the Governor, and to the  
46 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
47 no later than April 1, 2017 concerning the taxation of motor  
48 vehicles that are powered by a fuel source that is not subject to the

1 motor fuels tax pursuant to P.L.2010, c.22 (C.54:39-101 et seq.) or  
2 the petroleum products gross receipts tax pursuant to P.L.1990, c.42  
3 (C.54:15B-1 et seq.), including, but not limited to electric vehicles  
4 and hydrogen fuel cell vehicles. The report required pursuant to this  
5 subsection shall include recommendations to the Legislature for a  
6 new system of taxation that mandates that all vehicles operating on  
7 the highways of this State contribute equitably to the cost of  
8 maintaining the State transportation system.

9 The State of Condition of Transportation Financing certification  
10 shall ensure that the financing and expenditures of the New Jersey  
11 Transportation Trust Fund Authority (the "authority") adhere to  
12 certain standards. The standards are: a. The bonding limitation as  
13 provided in subsection i. of section 9 of P.L.1984, c.73 (C.27:1B-9).  
14 b. For the fiscal year commencing July 1, 2007, the amount  
15 expended from the revenues and other funds of the authority for  
16 permitted maintenance shall not exceed the amount expended for  
17 permitted maintenance in the fiscal year commencing July 1, 2006.  
18 c. The total amount authorized to be appropriated from the revenues  
19 and other funds of the authority for project costs commencing with  
20 the fiscal year beginning July 1, 2007 through the fiscal year  
21 beginning July 1, 2015 shall not exceed \$1,600,000,000 annually,  
22 and for the fiscal year beginning on July 1, 2016 through the fiscal  
23 year beginning on July 1, 2023 shall not exceed an aggregate  
24 \$16,000,000,000 over that eight-year period, and for the fiscal year  
25 beginning on July 1, 2024 through the fiscal year beginning on July  
26 1, 2028 shall not exceed an aggregate \$10,367,000,000 over that  
27 five-year period.

28 Commencing with the fiscal year beginning July 1, 2007, the  
29 board shall submit to the Governor, the Legislature, and the  
30 commissioner on an annual basis the State of Condition of  
31 Transportation Financing certification as to the requirements of  
32 certification standard a. referencing therein a certification with  
33 regard to certification standards b. and c. to the extent feasible,  
34 given the other provisions of this section. The certifications shall be  
35 based on the board's review of the State's fiscal year final  
36 expenditures from the preceding fiscal year, including bonding and  
37 expenditures from the annual independent audit of the authority,  
38 and the amount of authority funds programmed for permitted  
39 maintenance. If the capital program and its financing are found to  
40 be in compliance, the first annual certification required by this  
41 paragraph shall be submitted by February 1, 2008, after the  
42 certification is concurred with by the members of the authority, and  
43 by February 1 of each year thereafter. The board shall advise the  
44 commissioner and the authority on February 1, 2008 and on each  
45 succeeding February 1, if the board finds that the authority is not in  
46 compliance with the bonding requirements as provided in  
47 certification standard a. of the section, and that a corrective action  
48 plan is needed. The authority shall submit a corrective action plan

1 that would reduce its future bond sales to offset the amount of  
2 excess bonding or to reduce future debt service payments, or both,  
3 as the case may be. Upon approval of the corrective action plan by  
4 the board, the certification shall be issued with certain conditions.  
5 The Annual Transportation Capital Program submitted to the  
6 Legislature for the forthcoming year shall be in compliance with the  
7 provisions of the corrective action plan. If the board does not  
8 approve the corrective action plan, the authority shall submit a  
9 financial plan showing bonding only for existing projects, noting  
10 that no bonds shall be issued for new projects shown in the  
11 department's Annual Transportation Capital Program. The board  
12 shall advise the commissioner on February 1, 2008 and on each  
13 succeeding February 1, if the board finds that the Department of  
14 Transportation has exceeded the limitation for the amount of  
15 authority funds spent on permitted maintenance pursuant to  
16 certification standard b. of this section, or for the amount authorized  
17 to be appropriated for project costs pursuant to certification  
18 standard c. of this section and that a corrective action plan is  
19 needed. The department shall submit a corrective action plan that  
20 would offset the excess amount spent, or the excess amount  
21 appropriated, in the prior year with less funding for permitted  
22 maintenance or for projects, as the case may be, in the proposed  
23 capital budget request. Upon approval of the corrective action plan  
24 by the board, a certification as to these matters shall be issued with  
25 certain conditions. The Annual Transportation Capital Program  
26 submitted to the Legislature for the forthcoming year shall be in  
27 compliance with the provisions of the corrective action plan. If the  
28 board does not approve the corrective action plan, the authority  
29 shall submit a financial plan showing bonding only for existing  
30 projects, noting that no bonds shall be issued for new projects  
31 shown in the department's Annual Transportation Capital Program.  
32 (cf: P.L.2016, c.56, s.7)

33

34 6. Section 25 of P.L.1984, c.73 (C.27:1B-25) is amended to  
35 read as follows:

36 25. a. Notwithstanding the provisions of subtitle 4 of Title 27 of  
37 the Revised Statutes and P.L.1946, c.301 (C.27:15A-1 et seq.), the  
38 commissioner may, pursuant to appropriations or authorizations  
39 being made from time to time by the Legislature according to law,  
40 allocate to counties and municipalities funds for the planning,  
41 acquisition, engineering, construction, reconstruction, repair,  
42 resurfacing and rehabilitation of public highways and the planning,  
43 acquisition, engineering, construction, reconstruction, repair,  
44 maintenance and rehabilitation of public transportation projects and  
45 of other transportation projects which a county or municipality may  
46 be authorized by law to undertake.

47 b. The commissioner shall, pursuant to appropriations or  
48 authorizations being made from time to time by the Legislature



1 municipalities pursuant to the provisions of subsection c. of this  
2 section, provided that \$5,000,000 for each fiscal year commencing  
3 July 1, 2006 through the fiscal year commencing July 1, 2015, and  
4 \$10,000,000 for each fiscal year commencing July 1, 2016 and for  
5 each fiscal year thereafter of the amount allocated as State aid for  
6 municipalities shall be set aside and sub-allocated as State aid to  
7 any municipality qualifying for aid pursuant to the provisions of  
8 P.L.1978, c.14 (C.52:27D-178 et seq.). The commissioner shall  
9 allocate the aid to each municipality in the same proportion that the  
10 municipality receives aid under P.L.1978, c.14 (C.52:27D-178 et  
11 seq.). (2) The commissioner shall allocate 37.5 percent of the total  
12 appropriation pursuant to the provisions of subsection e. of this  
13 section for the Local County Aid Program. (3) The commissioner  
14 shall allocate seven percent of the total appropriation pursuant to  
15 the provisions of subsection b. of this section for the "Local Aid  
16 Infrastructure Fund." (4) The commissioner shall allocate seven  
17 percent of the appropriation pursuant to the provisions of subsection  
18 f. of this section for the "Local Freight Impact Fund." (5) The  
19 remaining 11 percent of the appropriation shall be allocated  
20 pursuant to the provisions of subsection g. of this section for the  
21 "Local Bridges Fund."

22 The amount of funds allocated as State aid for counties and  
23 municipalities, pursuant to paragraphs (3), (4), and (5) of subsection  
24 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1), shall be in  
25 addition to the amount of any appropriation required pursuant to  
26 this subsection and shall not be subject to any formula allocation  
27 provided for in this subsection, and which amounts shall be  
28 allocated as follows:

29 Of the amounts allocated pursuant to paragraph (3) of subsection  
30 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
31 Year 2027, \$15,000,000 shall be allocated as State aid to counties  
32 for transportation projects pursuant to subsection e. of this section,  
33 and \$15,000,000 shall be allocated as State aid to municipalities for  
34 transportation projects pursuant to subsection c. of this section;

35 Of the amounts allocated pursuant to paragraph (4) of subsection  
36 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
37 Year 2028, \$30,500,000 shall be allocated as State aid to counties  
38 for transportation projects pursuant to subsection e. of this section,  
39 and \$30,500,000 shall be allocated as State aid to municipalities for  
40 transportation projects pursuant to subsection c. of this section; and

41 Of the amounts allocated pursuant to paragraph (5) of subsection  
42 b. of section 8 of P.L.1987, c.460 (C.27:1B-21.1) for State Fiscal  
43 Year 2029, \$46,250,000 shall be allocated as State aid to counties  
44 for transportation projects pursuant to subsection e. of this section,  
45 and \$46,250,000 shall be allocated as State aid to municipalities for  
46 transportation projects pursuant to subsection c. of this section.

47 e. The commissioner may, pursuant to appropriations or  
48 authorizations being made from time to time by the Legislature

1 according to law, allocate additional funding to the Local County  
2 Aid Program for public highway projects, in accordance with a  
3 formula similar to that provided for in subsection c. of this section,  
4 except that Cm equals road mileage under county jurisdiction and  
5 Sm equals total county road mileage within the State.

6 f. The commissioner shall, pursuant to appropriations or  
7 authorizations being made from time to time by the Legislature  
8 according to law, allocate at the commissioner's discretion, State aid  
9 to counties and municipalities for transportation projects that  
10 address the impacts of freight travel in local communities and on  
11 local transportation infrastructure, except that the amount to be  
12 appropriated for this program shall be seven percent of the total  
13 amount appropriated pursuant to subsection d. of this section. This  
14 State aid shall be set aside prior to any formula allocations provided  
15 for in subsections c., d., e., and g. of this section, and shall be  
16 known as the "Local Freight Impact Fund."

17 g. The commissioner shall, pursuant to appropriations or  
18 authorizations being made from time to time by the Legislature  
19 according to law, allocate at the commissioner's discretion, State aid  
20 to counties and municipalities for transportation projects that  
21 address the condition of bridges under the jurisdiction of counties  
22 with an emphasis on repair and reconstruction of those with the  
23 greatest structural deficiencies, except that the amount to be  
24 appropriated for this program shall be 11 percent of the total  
25 amount appropriated pursuant to subsection d. of this section. This  
26 State aid shall be set aside prior to any formula allocations provided  
27 for in subsections c., d., e., and f. of this section, and shall be  
28 known as the "Local Bridges Fund."

29 (cf: P.L.2016, c.56, s.9)

30

31 7. Section 3 of P.L.1990, c.42 (C.54:15B-3) is amended to read  
32 as follows:

33 3. a. (1) (a) There is imposed on each company which is  
34 engaged in the refining or distribution, or both, of petroleum  
35 products other than highway fuel and aviation fuel and which  
36 distributes such products in this State a tax at the rate of seven  
37 percent of its gross receipts derived from the first sale of petroleum  
38 products within this State and there is imposed on each company  
39 which is engaged in the refining or distribution, or both, of highway  
40 fuel a tax at the rate of 12.85 percent, as adjusted pursuant to  
41 **【subsection】** subsections c. and d. of this section, of its gross  
42 receipts derived from the first sale of those products within this  
43 State.

44 (b) The applicable tax rate for gasoline, blended fuel that  
45 contains gasoline or is intended for use as gasoline, and liquefied  
46 petroleum gas, which are taxed as a highway fuel pursuant to  
47 subparagraph (a) of this paragraph, shall be converted to a cents-  
48 per-gallon rate, rounded to the nearest tenth of a cent, and adjusted

1 quarterly by the director, effective on July 1, October 1, January 1,  
2 and April 1, based on the average retail price per gallon of unleaded  
3 regular gasoline in the State, as determined in the most recent  
4 survey of the retail price per gallon of gasoline that includes a  
5 Statewide representative random sample conducted by the Board of  
6 Public Utilities, Office of the Economist, or its successor.

7 (c) The cents-per-gallon rate determined pursuant to  
8 subparagraph (b) of this paragraph shall not be less than the rate  
9 determined for the average retail price per gallon of unleaded  
10 gasoline in the State on July 1, 2016.

11 (d) The applicable tax rate for diesel fuel, blended fuel that  
12 contains diesel fuel or is intended for use as diesel fuel, and  
13 kerosene, other than aviation grade kerosene, which are taxed as a  
14 highway fuel pursuant to subparagraph (a) of this paragraph, shall  
15 be converted to a cents-per-gallon rate, rounded to the nearest tenth  
16 of a cent, and adjusted quarterly by the director, effective on July 1,  
17 October 1, January 1, and April 1, based on the average retail price  
18 per gallon of number 2 diesel in the State, as determined in the most  
19 recent survey of retail diesel fuel prices that includes a Statewide  
20 representative random sample conducted by the Board of Public  
21 Utilities, Office of the Economist, or its successor.

22 Notwithstanding the provisions of subparagraph (a) of this  
23 paragraph to the contrary, for the period from the 2016  
24 implementation date through December 31, 2016, no rate of tax  
25 shall be applied to diesel fuel, blended fuel that contains diesel fuel  
26 or is intended for use as diesel fuel, or kerosene, other than aviation  
27 grade kerosene; for the period from January 1, 2017 through June  
28 30, 2017, the applicable rate for those fuels shall be 70 percent of  
29 the rate otherwise determined pursuant to subparagraph (a) of this  
30 paragraph, and for July 1, 2017 and thereafter the applicable rate for  
31 those fuels determined pursuant to subparagraph (a) of this  
32 paragraph.

33 (e) The cents-per-gallon rate determined pursuant to  
34 subparagraph (d) of this paragraph shall not be less than the rate  
35 determined for the average retail price per gallon of number 2 diesel  
36 in the State on July 1, 2016.

37 (f) The applicable tax rate for fuel oil determined pursuant to  
38 subparagraph (a) of this paragraph shall be converted to a cents-per-  
39 gallon rate, rounded to the nearest tenth of a cent, and adjusted  
40 quarterly by the director, effective on July 1, October 1, January 1,  
41 and April 1, to reflect the average price per gallon, without State or  
42 federal tax included, of retail sales of number 2 fuel oil in the State,  
43 as determined in the most recent survey of retail diesel fuel prices  
44 that included a Statewide representative random sample conducted  
45 by the Board of Public Utilities, Office of the Economist, or its  
46 successor.

47 (g) The cents-per-gallon rate determined pursuant to  
48 subparagraph (f) of this paragraph shall not be less than the rate

1 determined for the average price per gallon, without State or federal  
2 tax included, of retail sales of number 2 fuel oil in the State on July  
3 1, 2016.

4 (h) **【**On and after the 10th day following a certification by the  
5 review council pursuant to subsection c. of section 19 of P.L.2016,  
6 c.57 (C.52:18A-257), no tax shall be imposed pursuant to this  
7 paragraph.**】** (Deleted by amendment, P.L. , c. ) (pending before  
8 the Legislature as this bill)

9 (2) (a) In addition to the tax, if any, imposed by paragraph (1)  
10 of this subsection, a cents-per-gallon tax is imposed on each  
11 company's gross receipts derived from the first sale of petroleum  
12 products within this State on gasoline, blended fuel that contains  
13 gasoline or that is intended for use as gasoline, liquefied petroleum  
14 gas, and aviation fuel at the rate of four cents per gallon; and

15 (b) In addition to the tax, if any, imposed by paragraph (1) of  
16 this subsection, a cents-per-gallon tax is imposed on each  
17 company's gross receipts derived from the first sale of petroleum  
18 products within this State on diesel fuel, blended fuel that contains  
19 diesel fuel or is intended for use as diesel fuel, and kerosene, other  
20 than aviation grade kerosene, at the rate of four cents per gallon  
21 before July 1, 2017 and at the rate of eight cents per gallon on and  
22 after July 1, 2017.

23 b. There is imposed on each company that imports or causes to  
24 be imported, other than by a company subject to and having paid  
25 the tax on those imported petroleum products that have generated  
26 gross receipts taxable under subsection a. of this section, petroleum  
27 products for use or consumption by it within this State a tax at the  
28 rate or rates, determined pursuant to subsection a. of this section, on  
29 the consideration given or contracted to be given and the gallonage  
30 for such petroleum products if the consideration given or contracted  
31 to be given for all such deliveries made during a quarterly period  
32 exceeds \$5,000.

33 c. (1) For State fiscal years 2018 through **【2026】** 2024, the rate  
34 of tax imposed on highway fuel pursuant to subsection a. of this  
35 section shall be adjusted annually so that the total revenue derived  
36 from highway fuel shall not exceed the highway fuel cap amount.

37 (2) The State Treasurer shall, on or before December 31, 2016,  
38 determine the highway fuel cap amount as the sum of:

39 (a) the taxes collected for State Fiscal Year 2016 pursuant to  
40 paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010,  
41 c.22 (C.54:39-103) on highway fuel,

42 (b) the amount derived from taxing the gallonage of highway  
43 fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of  
44 four cents per gallon, and

45 (c) the amount that would have been derived from taxing the  
46 gallonage of highway fuel subject to motor fuel tax in State Fiscal  
47 Year 2016 at the rate of 23 cents per gallon.

1 (3) On or before August 15 of each State Fiscal Year following  
2 State Fiscal Year 2017 through State Fiscal Year 2024, and on or  
3 before November 15 of each State Fiscal Year beginning in State  
4 Fiscal Year 2025, the State Treasurer and the Legislative Budget  
5 and Finance Officer shall determine the total revenue derived from:

6 (a) the taxes collected for the prior State Fiscal Year pursuant to  
7 paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010,  
8 c.22 (C.54:39-103) on highway fuel,

9 (b) the revenue that would be derived from imposing the tax  
10 pursuant to paragraph (2) of subsection a. of this section on  
11 highway fuel at the rate of four cents per gallon, and

12 (c) the revenue derived from the taxation of highway fuel  
13 pursuant to paragraph (1) of subsection a. of this section.

14 (4) **【Upon】** Commencing in State Fiscal Year 2017 and ending  
15 in State Fiscal Year 2024, upon consideration of the result of the  
16 determination pursuant to paragraph (3) of this subsection, and  
17 consultation with the Legislative Budget and Finance Officer, the  
18 State Treasurer shall determine the rate of tax to be imposed on  
19 highway fuel pursuant to subsection a. of this section that will result  
20 in revenue from:

21 (a) the taxes collected on highway fuel for the current State  
22 Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of  
23 section 3 of P.L.2010, c.22 (C.54:39-103),

24 (b) the revenue derived from the tax imposed pursuant to  
25 paragraph (2) of subsection a. of this section on highway fuel at the  
26 rate of four cents per gallon for the current State Fiscal Year, and

27 (c) the revenue derived from the taxation of highway fuel  
28 pursuant to paragraph (1) of subsection a. of this section equaling  
29 the highway fuel cap amount determined pursuant to paragraph (2)  
30 of this subsection, as adjusted pursuant to paragraph (5) of this  
31 subsection; and that rate shall take effect on October 1 of that year.

32 (5) **【If】** Commencing in State Fiscal Year 2017 and ending in  
33 State Fiscal Year 2024, if the actual revenue determined pursuant to  
34 paragraph (3) of this subsection exceeds the highway fuel cap  
35 amount determined pursuant to paragraph (2) of this subsection,  
36 then the highway fuel cap amount for the succeeding year shall be  
37 decreased by the amount of the excess in setting the rate pursuant to  
38 paragraph (4) of this subsection. If the actual revenue determined  
39 pursuant to paragraph (3) of this subsection is less than the highway  
40 fuel cap amount determined pursuant to paragraph (2) of this  
41 subsection, then the highway fuel cap amount for the succeeding  
42 year shall be increased by the amount of the shortfall in setting the  
43 rate pursuant to paragraph (4) of this subsection.

44 d. (1) For State fiscal years 2025 through 2029, the rate of tax  
45 imposed on highway fuel pursuant to subsection a. of this section  
46 shall be adjusted annually so that the total revenue derived from  
47 highway fuel shall not exceed the highway fuel cap amount  
48 determined pursuant to paragraph (2) of this subsection.

1       (2) The highway fuel cap amount in effect for State fiscal years  
2 2025 through 2029 shall be adjusted so that the total revenue  
3 derived from highway fuel shall equal:

- 4       (a) for State Fiscal Year 2025, \$2,032,000,000;
- 5       (b) for State Fiscal Year 2026, \$2,115,000,000;
- 6       (c) for State Fiscal Year 2027, \$2,199,000,000;
- 7       (d) for State Fiscal Year 2028, \$2,282,000,000; and
- 8       (e) for State Fiscal Year 2029, \$2,366,000,000.

9       (3) Commencing in State Fiscal Year 2025, upon consideration  
10 of the result of the determination pursuant to paragraph (3) of  
11 subsection c. of this section, and consultation with the Legislative  
12 Budget and Finance Officer, the State Treasurer shall determine the  
13 rate of tax to be imposed on highway fuel pursuant to subsection a.  
14 of this section that will result in revenue from:

15       (a) the taxes collected on highway fuel for the current State  
16 Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of  
17 section 3 of P.L.2010, c.22 (C.54:39-103),

18       (b) the revenue derived from the tax imposed pursuant to  
19 paragraph (2) of subsection a. of this section on highway fuel at the  
20 rate of four cents per gallon for the current State Fiscal Year, and

21       (c) the revenue derived from the taxation of highway fuel  
22 pursuant to paragraph (1) of subsection a. of this section equaling  
23 the highway fuel cap amount determined pursuant to paragraph (2)  
24 of this subsection, as adjusted pursuant to paragraph (4) of this  
25 subsection; and that rate shall take effect on January 1 of that year.

26       (4) Commencing in State Fiscal Year 2025, if the actual revenue  
27 determined pursuant to paragraph (3) of subsection c. of this section  
28 is less than the highway fuel cap amount determined pursuant to  
29 paragraph (2) of this subsection, then the highway fuel cap amount  
30 determined pursuant to paragraph (2) of this subsection for the  
31 succeeding year shall be increased by the amount of the shortfall in  
32 setting the rate pursuant to paragraph (3) of this subsection. If the  
33 actual revenue determined pursuant to paragraph (3) of subsection  
34 c. of this section exceeds the highway fuel cap amount determined  
35 pursuant to paragraph (2) of this subsection, then the highway fuel  
36 cap amount for the succeeding year shall be decreased by the  
37 amount of the excess in setting the rate pursuant to paragraph (3) of  
38 this subsection.

39 (cf: P.L.2016, c.57, s.14)

40

41       8. (New section) a. In addition to the registration fees imposed  
42 pursuant to Article 2 of chapter 3 of Title 39 of the Revised  
43 Statutes:

44       (1) beginning July 1, 2024 and ending June 30, 2025, the Chief  
45 Administrator of the Motor Vehicle Commission shall impose and  
46 collect an additional annual fee of \$250 upon every zero emission  
47 vehicle to be registered;

1 (2) beginning July 1, 2025 and ending June 30, 2026, the Chief  
2 Administrator of the Motor Vehicle Commission shall impose and  
3 collect an additional annual fee of \$260 upon every zero emission  
4 vehicle to be registered;

5 (3) beginning July 1, 2026 and ending June 30, 2027, the Chief  
6 Administrator of the Motor Vehicle Commission shall impose and  
7 collect an additional annual fee of \$270 upon every zero emission  
8 vehicle to be registered;

9 (4) beginning July 1, 2027 and ending June 30, 2028, the Chief  
10 Administrator of the Motor Vehicle Commission shall impose and  
11 collect an additional annual fee of \$280 upon every zero emission  
12 vehicle to be registered; and

13 (5) beginning July 1, 2028, and for each year thereafter, the  
14 Chief Administrator of the Motor Vehicle Commission shall impose  
15 and collect an additional annual fee of \$290 upon every zero  
16 emission vehicle to be registered.

17 b. The fee established pursuant to subsection a. of this section  
18 shall accrue and shall be collectible upon each zero emission  
19 vehicle under the same circumstances and shall be payable in the  
20 same manner and times as apply to vehicle registrations under the  
21 provisions of Article 2 of chapter 3 of Title 39 of the Revised  
22 Statutes; provided, the fee shall be paid in full for the then current  
23 year at the time any zero emission vehicle is first registered in a  
24 calendar year.

25 c. Fees collected pursuant to subsection a. of this section shall  
26 be credited to the "Transportation Trust Fund Account," established  
27 pursuant to section 20 of P.L.1984, c.73 (C.27:1B-20), in  
28 accordance with the provisions of subsection e. of section 20 of  
29 P.L.1984, c.73 (C.27:1B-20).

30 d. As used in this section, "zero emission vehicle" means a  
31 vehicle certified as a zero emission vehicle pursuant to the  
32 California Air Resources Board zero emission vehicle standards for  
33 the applicable model year, but shall not include any other type of  
34 vehicle that may be delivered by a manufacturer for sale or lease to  
35 satisfy the zero emission vehicle requirement established by the  
36 California Air Resources Board in lieu of a vehicle that qualifies as  
37 a pure zero emission vehicle.

38

39 9. Section 19 of P.L.2016, c.57 (C.52:18A-257) is repealed.

40

41 10. This act shall take effect immediately.

42

43

44

#### STATEMENT

45

46 This bill amends the "New Jersey Transportation Trust Fund  
47 Authority Act of 1984" to make changes necessary to support the  
48 State's Annual Transportation Capital Program for Fiscal Years

1 2025 through 2029. These changes also revise the rate of tax  
2 imposed on highway fuels under the Petroleum Products Gross  
3 Receipts Tax and establish an additional annual fee for zero  
4 emission vehicles from which all revenues would be dedicated to  
5 the Transportation Trust Fund (TTF).

6

7 *Transportation Trust Fund Authority Renewal*

8 The bill extends and increases the New Jersey Transportation  
9 Trust Fund Authority's (authority) existing authorization to issue  
10 transportation program bonds. Under current law, the authority is  
11 authorized to issue such transportation program bonds as are  
12 necessary to fund the Annual Transportation Capital Program, in an  
13 amount not to exceed \$12 billion, through June 30, 2024. The bill  
14 extends this authorization through June 30, 2029 and increases the  
15 authority's existing aggregate bonding capacity to \$15.6 billion.

16 The bill authorizes \$10.367 billion in capital program  
17 expenditures for a five-year period from Fiscal Year 2025 through  
18 Fiscal Year 2029. Specifically, this bill allows for an average  
19 annual capital program size of \$2 billion from Fiscal Year 2025  
20 through Fiscal Year 2029. However, during Fiscal Years 2027,  
21 2028, and 2029, the bill requires certain amounts appropriated in  
22 excess of \$2 billion to be allocated to counties, municipalities, the  
23 Department of Transportation, and the New Jersey Transit  
24 Corporation for transportation projects.

25 Under current law, the authority is required to count premiums,  
26 and not bond discounts, against its authorized bonding capacity for  
27 transportation program bonds. This bill provides that for Fiscal  
28 Year 2016 and thereafter, any net premiums received by the  
29 authority in connection with the issuance of transportation program  
30 bonds are to be counted against the authority's authorized bonding  
31 capacity. This change allows the authority to account for the value  
32 of remaining bond premiums after subtracting the value of bond  
33 discounts in blended bond issuances when adjusting its bonding  
34 capacity after issuing transportation program bonds.

35

36 *Revision to Rate-Setting Procedure for Determining PPGRT Rate*

37 Under current law, the rate of tax imposed under the Petroleum  
38 Products Gross Receipts Tax (PPGRT) is annually adjusted by the  
39 State Treasurer to ensure that the State realizes a statutorily  
40 prescribed revenue target, more commonly referred to as the  
41 "highway fuel cap," based on 2016 collections of highway fuel  
42 taxes. The cap amount is based on the Fiscal Year 2016 sum of:  
43 (1) the taxes collected on the 12.48 percent and four cent tax rates  
44 for highway fuels taxes, (2) the amount derived from taxing the  
45 gallonage of highway fuel subject to the four cent motor fuel tax,  
46 and (3) the amount that would have been derived from taxing the  
47 gallonage of highway fuel subject to the motor fuel tax at a rate of  
48 23 cents per gallon. All revenues collected are deposited into the

1 TTF to support transportation infrastructure projects and debt  
2 service on transportation bonds. This annual adjustment  
3 mechanism is currently set to expire at the conclusion of State  
4 Fiscal Year 2026.

5 The bill would modify this mechanism, beginning with Fiscal  
6 Year 2025, to gradually raise the highway fuel cap amount through  
7 Fiscal Year 2029. The amount of revenue required to be collected  
8 on highway fuel would be as follows: \$2,032,000,000 in Fiscal  
9 Year 2025; \$2,115,000,000 in Fiscal Year 2026; \$2,199,000,000 in  
10 Fiscal Year 2027; \$2,282,000,000 in Fiscal year 2028; and  
11 \$2,366,000,000 in Fiscal Year 2029. If the actual revenues  
12 generated fall above or below the highway fuel cap amount set for  
13 the fiscal year, the rate of tax would be adjusted accordingly to  
14 ensure the highway fuel cap amount is realized.

15 The bill also provides that after the State Treasurer has  
16 determined the rate of tax pursuant to the bill, the new rate would  
17 take effect on January 1 of Fiscal Year 2025 through Fiscal Year  
18 2029 rather than October 1, as is done under current law.

19

20 *Abolishment of the Review Council*

21 The bill would also abolish the three-member review council  
22 tasked with monitoring the implementation of the PPGRT. The  
23 review council is currently composed of the State Treasurer, the  
24 Legislative Budget and Finance Officer, and a public member  
25 jointly selected by the other two members. Under current law,  
26 following any legislative action that halts, delays, or reverses  
27 implementation of changes to the PPGRT as enacted in 2016, the  
28 review council is required to certify whether the scheduled  
29 implementation of the 2016 changes to the tax have been impeded.

30

31 *Additional Fee for Zero Emission Vehicles*

32 The bill also institutes an additional fee for zero emission  
33 vehicles registered in the State. The fee would be collected by the  
34 Chief Administrator of the Motor Vehicle Commission at the same  
35 time the vehicle is initially registered or renewed, as the case may  
36 be. Beginning on July 1, 2024, the amount of the fee would be  
37 \$250 and increase by \$10 on July 1 of each year until 2028. After  
38 that time, the amount of the fee would be set at \$290.

39 A “zero emission vehicle” is defined under the bill as a vehicle  
40 certified by the California Air Resources Board or a vehicle that  
41 satisfies zero emission vehicle standards for the applicable model  
42 year. Vehicles that are produced in lieu of satisfying zero emission  
43 vehicle requirements would not be subject to the additional fee.

44 These additional fees would be credited to the “Transportation  
45 Trust Fund Account - Subaccount for Capital Reserves” to support  
46 transportation projects. However, the bill specifies that these  
47 collections may not be used to pay debt service on transportation  
48 system bonds, transportation program bonds, or any other bonds,

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29

- 1 notes or other obligations, including subordinated obligations of the
- 2 authority until such time as these revenues may be constitutionally
- 3 dedicated to the TTF.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 2931

# STATE OF NEW JERSEY

DATED: MARCH 11, 2024

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2931.

This bill amends the “New Jersey Transportation Trust Fund Authority Act of 1984” to make changes necessary to support the State’s Annual Transportation Capital Program for Fiscal Years 2025 through 2029. These changes also revise the rate of tax imposed on highway fuels under the Petroleum Products Gross Receipts Tax (PPGRT) and establish an additional annual fee for zero emission vehicles from which all revenues would be dedicated to the Transportation Trust Fund (TTF).

#### *Transportation Trust Fund Authority Renewal*

The bill extends and increases the New Jersey Transportation Trust Fund Authority’s (authority) existing authorization to issue transportation program bonds. Under current law, the authority is authorized to issue such transportation program bonds as are necessary to fund the Annual Transportation Capital Program, in an amount not to exceed \$12 billion, through June 30, 2024. The bill extends this authorization through June 30, 2029 and increases the authority’s existing aggregate bonding capacity to \$15.6 billion.

The bill authorizes \$10.367 billion in capital program expenditures for a five-year period from Fiscal Year 2025 through Fiscal Year 2029. Specifically, this bill allows for an average annual capital program size of \$2 billion from Fiscal Year 2025 through Fiscal Year 2029. However, during Fiscal Years 2027, 2028, and 2029, the bill requires certain amounts appropriated in excess of \$2 billion to be allocated to counties, municipalities, the Department of Transportation, and the New Jersey Transit Corporation for transportation projects.

Under current law, the authority is required to count premiums, and not bond discounts, against its authorized bonding capacity for transportation program bonds. This bill provides that for Fiscal Year 2016 and thereafter, any net premiums received by the authority in connection with the issuance of transportation program bonds are to be counted against the authority’s authorized bonding capacity. This change allows the authority to account for the value of remaining bond premiums after subtracting the value of bond discounts in blended bond issuances when adjusting its bonding capacity after issuing transportation program bonds.

*Revision to Rate-Setting Procedure for Determining PPGRT Rate*

Under current law, the rate of tax imposed under the PPGRT is annually adjusted by the State Treasurer to ensure that the State realizes a statutorily prescribed revenue target, more commonly referred to as the “highway fuel cap,” based on 2016 collections of highway fuel taxes. The cap amount is based on the Fiscal Year 2016 sum of: (1) the taxes collected under the Motor Fuels Tax, (2) the amount derived from taxing the gallonage of highway fuel subject to the four cent motor fuel tax, and (3) the amount that would have been derived from taxing the gallonage of highway fuel subject to the motor fuel tax at a rate of 23 cents per gallon. All revenues collected are deposited into the TTF to support transportation infrastructure projects and debt service on transportation bonds. This annual adjustment mechanism is currently set to expire at the conclusion of State Fiscal Year 2026.

The bill would modify this mechanism, beginning with Fiscal Year 2025, to gradually raise the highway fuel cap amount through Fiscal Year 2029. The amount of revenue required to be collected on highway fuel would be as follows: \$2,032,000,000 in Fiscal Year 2025; \$2,115,000,000 in Fiscal Year 2026; \$2,199,000,000 in Fiscal Year 2027; \$2,282,000,000 in Fiscal year 2028; and \$2,366,000,000 in Fiscal Year 2029. If the actual revenues generated fall above or below the highway fuel cap amount set for the fiscal year, the rate of tax would be adjusted accordingly to ensure the highway fuel cap amount is realized.

The bill also provides that after the State Treasurer has determined the rate of tax pursuant to the bill, the new rate would take effect on January 1 of Fiscal Year 2025 through Fiscal Year 2029 rather than October 1, as is done under current law.

*Abolishment of the Review Council*

The bill would also abolish the three-member review council tasked with monitoring the implementation of the PPGRT. The review council is currently composed of the State Treasurer, the Legislative Budget and Finance Officer, and a public member jointly selected by the other two members. Under current law, following any legislative action that halts, delays, or reverses implementation of changes to the PPGRT as enacted in 2016, the review council is required to certify whether the scheduled implementation of the 2016 changes to the tax have been impeded.

*Additional Fee for Zero Emission Vehicles*

The bill also institutes an additional fee for zero emission vehicles registered in the State. The fee would be collected by the Chief Administrator of the Motor Vehicle Commission at the same time the vehicle is initially registered or renewed, as the case may be. Beginning on July 1, 2024, the amount of the fee would be \$250 and

increase by \$10 on July 1 of each year until 2028. After that time, the amount of the fee would be set at \$290.

A “zero emission vehicle” is defined under the bill as a vehicle certified by the California Air Resources Board or a vehicle that satisfies zero emission vehicle standards for the applicable model year. Vehicles that are produced in lieu of satisfying zero emission vehicle requirements would not be subject to the additional fee.

These additional fees would be credited to the “Transportation Trust Fund Account - Subaccount for Capital Reserves” to support transportation projects. However, the bill specifies that these collections may not be used to pay debt service on transportation system bonds, transportation program bonds, or any other bonds, notes or other obligations, including subordinated obligations of the authority until such time as these revenues may be constitutionally dedicated to the TTF.

**FISCAL IMPACT:**

The Office of Legislative Services (OLS) notes that the bill authorizes some \$10.37 billion in appropriations for the State’s Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.33 billion would be passed on as State aid to counties and municipalities for transportation projects.

The bill also provides \$8.9 billion in bonding authority to the Transportation Trust Fund Authority. The OLS lacks the informational basis to determine the par amount of bonds the Authority would newly issue between FY 2025 and FY 2029 as well as the debt service structure it would select, but any additional issuance would increase debt service obligations in the aforementioned five-year period. For reference, the debt service obligations on existing bonds from FY 2025 to FY 2029 total \$9.58 billion.

To cover the bill’s capital program appropriations plus the cost of existing and future debt service on Transportation Trust Fund Authority-issued bonds from FY 2025 through FY 2029, the bill provides \$21.60 billion in resources: some \$12.70 billion in revenue and some \$8.90 billion in bonding authority.

Of the \$12.70 billion in revenue, some \$10.99 billion would be from the combined motor fuels tax and petroleum products gross receipts tax (\$1.19 billion more than under the FY 2024 revenue target for the two taxes), \$1.0 billion from dedicated sales and use tax revenue stream (unchanged from current law), \$650 million from the new registration fee for electric vehicles, and \$60 million from the New Jersey Turnpike Authority (unchanged from current law).

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 2931**  
**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

DATED: MARCH 19, 2024

**SUMMARY**

- Synopsis:** Revises “New Jersey Transportation Trust Fund Authority Act,” revises calculation of gas tax rate, and establishes annual fee for zero emission vehicles.
- Types of Impact:** Increases in State and local government revenues and expenditures.
- Agencies Affected:** New Jersey Transportation Trust Fund Authority, Department of Transportation, New Jersey Transit Corporation, county governments, municipal governments.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2025 through FY 2029</u></b>
<b>Total State Expenditures</b>	\$19.95 Billion Plus Indeterminate Amount of New Debt Service
<b>Total State Revenue</b>	\$12.70 Billion
<b>Total State Bonding</b>	(up to) \$8.87 Billion
<b>Total Local Revenue</b>	\$2.33 Billion
<b>Total Local Expenditures</b>	\$2.33 Billion

- The Office of Legislative Services (OLS) notes that the bill authorizes some \$10.37 billion in appropriations for the State’s Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.33 billion would be passed on as State aid to counties and municipalities for transportation projects.
- In addition to the \$10.37 billion in new appropriations from FY 2025 through FY 2029, the Transportation Trust Fund would also have to pay \$9.58 billion in debt service on existing bonds from FY 2025 through FY 2029 and debt service on any new debt issuances. Although the bill provides \$8.87 billion in bonding authority to the Transportation Trust Fund Authority, the OLS lacks the informational basis to determine the par amount of bonds the Authority may newly issue between FY 2025 and FY 2029 as well as the debt service structure it would select.
- To cover the new capital program appropriations plus the cost of existing and future debt service on Transportation Trust Fund Authority bonds from FY 2025 through FY 2029 (at least



\$19.95 billion), the bill provides \$21.57 billion in estimated resources: some \$12.70 billion in revenue and \$8.87 billion in bonding authority.

- The \$1.62 billion in excess resources would be available for new debt service payments between FY 2025 and FY 2029. For reference, if the Transportation Trust Fund Authority were to sell \$1.75 billion in new bonds per year from FY 2025 to FY 2029, each with a 30-year maturity schedule and equal semi-annual debt service payments at a 5.0 percent interest rate, then new debt service payments from FY 2025 through FY 2029 would total \$1.70 billion.
- Of the \$12.70 billion in estimated revenue, some \$10.99 billion would be from the combined motor fuels tax and petroleum products gross receipts tax (\$1.19 billion more than under the FY 2024 revenue target for the two taxes), \$1.0 billion from the existing sales and use tax dedication (unchanged from current law), \$650 million from the new registration fee for electric vehicles, and \$60 million from the New Jersey Turnpike Authority (unchanged from current law).

## **BILL DESCRIPTION**

This bill renews the Transportation Trust Fund for FY 2025 through FY 2029 and in support thereof establishes an annual registration fee for zero emission vehicles. Specifically, the bill:

- grants \$10.367 billion in capital program spending authority for the five-year period;
- reauthorizes the \$5.24 billion in unissued bonding capacity under the current eight-year transportation trust fund renewal that would otherwise expire on July 1, 2024;
- provides an additional \$3.60 billion in bonding capacity;
- provides another \$21 million in bonding capacity from newly allowing upward adjustments in bonding capacity for bond discounts granted in the sale of transportation program bonds since FY 2017; under current law bonding capacity is only reduced by the amount of premiums received in the sale of transportation program bonds;
- increases the statutory baseline revenue target for combined motor fuels tax and petroleum products gross receipts tax collections from sales of gasoline and diesel motor fuel, or the baseline “highway fuel cap,” from \$1.948 billion per year to the following amounts before continuing to adjust each fiscal year’s target for any over- or under-collection in the prior fiscal year relative to that year’s adjusted revenue target:
  - a) \$2.032 billion in FY 2025,
  - b) \$2.115 billion in FY 2026,
  - c) \$2.199 billion in FY 2027,
  - d) \$2.282 billion in FY 2028, and
  - e) \$2.366 billion in FY 2029;
- delays by three months, from October 1 to January 1, the implementation of the annual property tax gross receipts tax rate adjustment for sales of gasoline and diesel motor fuel to attain the fiscal year’s adjusted “highway fuel cap”; and
- imposes a new annual registration fee for zero emission vehicles at the rate of \$250 in FY 2025, increasing by \$10 annually until it reaches \$290 per year starting in FY 2029.

## FISCAL ANALYSIS

### *EXECUTIVE BRANCH*

None received.

### *OFFICE OF LEGISLATIVE SERVICES*

The OLS notes that the bill authorizes some \$10.37 billion in appropriations for the State's Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.33 billion would be passed on as State aid to counties and municipalities for transportation projects.

In addition to the \$10.37 billion in new appropriations from FY 2025 through FY 2029, the Transportation Trust Fund would also have to pay \$9.58 billion in debt service on existing bonds from FY 2025 through FY 2029 and debt service on any new debt issuances. Although the bill provides \$8.87 billion in bonding authority to the Transportation Trust Fund Authority, the OLS lacks the informational basis to determine the par amount of bonds the Authority may newly issue between FY 2025 and FY 2029 as well as the debt service structure it would select.

To cover the bill's capital program appropriations plus the cost of existing and future debt service on Transportation Trust Fund Authority-issued bonds from FY 2025 through FY 2029 (at least \$19.95 billion), the bill provides an estimated \$21.57 billion in resources: some \$12.70 billion in projected revenue and some \$8.87 billion in bonding authority.

The \$1.62 billion in excess resources would be available for cumulative new debt service payments in the concerned five-year period. For reference, if the Transportation Trust Fund Authority were to issue \$1.75 billion in new bonds per year from FY 2025 to FY 2029, each with a 30-year maturity schedule and equal semi-annual debt service payments at a 5.0 percent interest rate, then new debt service payments from FY 2025 through FY 2029 would total \$1.70 billion.

Of the estimated \$12.70 billion in revenue, some \$10.99 billion would be from the combined motor fuels tax and petroleum products gross receipts tax (\$1.19 billion more than under the FY 2024 revenue target for the two taxes), \$1.0 billion from the existing sales and use tax dedication (unchanged from current law), \$650 million from the new registration fee for electric vehicles, and \$60 million from the New Jersey Turnpike Authority (unchanged from current law). The OLS displays its annual revenue estimate for the new electric vehicle registration fee in the table below.

	<b>Estimated Revenue Gain with Zero Emission Fee</b>	<b>Zero Emission Vehicles Registered</b>
FY 2025	\$ 61,344,061	245,376
FY 2026	\$ 90,892,767	349,588
FY 2027	\$ 125,517,096	464,878
FY 2028	\$ 164,509,726	587,535
FY 2029	\$ 207,391,262	715,142

*Section:* Authorities, Utilities, Transportation and Communications

*Analyst:* Michael D. Walker  
Assistant Fiscal Analyst

*Approved:* Thomas Koenig  
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

# Governor Murphy Signs Law Reauthorizing New Jersey's Transportation Trust Fund for Five More Years

03/26/2024

## *Legislation Provides Billions in Funding for Statewide Transportation Infrastructure*

**TRENTON** – Governor Phil Murphy today signed legislation renewing the State's Transportation Trust Fund (TTF) for five more years, which will invest billions to modernize and maintain New Jersey's statewide transportation infrastructure, while providing additional capital funding for NJ TRANSIT, supporting local and county projects to alleviate the burden on local taxpayers, and creating thousands of good-paying union jobs.

"New Jersey sits at the heart of one of the busiest stretches of commerce in the entire world," **said Governor Phil Murphy**. "Whether it's trying to get home to their families after a long day or shipping critical goods to keep our economy humming, our residents and our businesses depend on the strength of our transportation system to get where they need to go. This legislation will ensure we deliver for them by enabling us to rebuild and maintain our entire transportation system, while creating thousands of good-paying jobs in the years to come and easing the burden of property taxes by offsetting these costs for local governments."

"New Jerseyans depend on safe and reliable public transportation to get to work and school, and the Transportation Trust Fund is a critical part of our state's efforts to ensure our infrastructure is safe and accessible for everyone," **said Congressman Frank Pallone**. "Today's announcement is a win-win for residents, workers, businesses, tourists, and anyone else who uses our state's roads or rails. I'm always grateful to our hardworking union members, who keep our public transportation running smoothly. I'll continue to fight at the federal level to deliver funding to our state so we can build on this progress."

"The reauthorization of the New Jersey Transportation Trust Fund is foundational to the continued investment in our transportation infrastructure," **said Diane Gutierrez-Scaccetti, Chief of Staff to Governor Murphy and former NJDOT Commissioner**. "Transportation keeps our communities moving and our economy strong. I remember the impact it had on our brothers and sisters in labor when the previous administration could not reach a deal in time and projects all over the state were forced to halt or shut down. With this in mind, we were determined – and now proud – to reach a good agreement months ahead of time to ensure that this critical work will continue without interruption."

"We appreciate the Legislature taking action to renew the TTF, which is vital to maintaining and improving our state's transportation infrastructure," **said NJDOT Acting Commissioner Fran O'Connor**. "In addition to funding projects on Interstate and State highways, TTF funding profoundly impacts our local communities at the county and municipal levels. This bill increases funding for NJDOT's Local Aid programs so even more critical infrastructure projects can get done at the local level."

"This investment in the State's infrastructure is critical for our transportation system, the economy and our quality of

life," **said Senate President Nick Scutari, co-sponsor of the TTF renewal bill.** "It will put people to work in good paying jobs repairing and improving the roads, bridges, rail lines and transit facilities that are the lifeblood of New Jersey's economy. The renewed Trust Fund will help ensure an infrastructure that transports people and products safely, effectively and efficiently. It will provide benefits to New Jersey residents for years – and even generations - to come."

"The reauthorization of the Transportation Trust Fund will create thousands of good paying, union jobs, and ensure that our transportation infrastructure is safe, modern, and efficient," **said Speaker Craig J. Coughlin.** "New Jersey's transportation infrastructure is the lifeblood of an entire economy from daily commuters traveling to job centers to students traveling to businesses bringing their goods to market. Every resident and business are the beneficiary of these investments. The TTF also provides real property tax relief. County and local governments won't need to raise taxes to pay for necessary transportation projects and improvements, since the state will continue to provide over \$400 million annually in funding to cover those costs."

The New Jersey Transportation Trust Fund was established by the Legislature in 1984 and has since been reauthorized seven times. The last reauthorization in 2016, under the previous administration, occurred after the previous authorization had expired, halting projects until a new agreement could be reached. That reauthorization has primarily been implemented by the Murphy Administration, with the largest capital program ever executed by the NJ Department of Transportation (NJDOT) occurring in Fiscal Year 2021 (FY 2021).

The law signed today (A-4011/S-2931), more than three months prior to the current authorization's expiration, will:

- Establish a five-year program, beginning July 1, 2024 and ending June 30, 2029, to ensure a steady stream of revenue to support statewide transportation projects. The law annually adjusts the Petroleum Products Gross Receipts Tax rate by updating the statutorily prescribed revenue target, commonly referred to as the "highway fuel cap," which is currently based on 2016 highway fuel tax collections.
- Authorize roughly \$10.37 billion in appropriations for the State's Annual Transportation Capital Program from FY 2025 through FY 2029. Of that amount, an estimated \$2.3 billion will be passed on as State aid to counties and municipalities for transportation projects.
- Provide up to \$8.84 billion in bonding authority to the Transportation Trust Fund Authority over the five-year period (approximately \$1.76 billion annually);
- Provide roughly \$1.5 billion in pay-as-you-go funding for transportation projects. Grow the \$2 billion maximum annual capital program amount by 3% per year in years three, four, and five of the reauthorization, which coincides with the end of the federal Bipartisan Infrastructure Law funding. This incremental revenue growth will be split evenly among NJ DOT, NJ TRANSIT, county governments, and municipal governments, providing greater investment at the county and local level and relieving the pressure on local property taxpayers to fund infrastructure investments.
- Bolster NJ TRANSIT by providing an additional \$91.75 million over the last three years of the program to augment the \$767 million the agency currently receives annually from the TTF to fund new capital projects. By year five, NJ TRANSIT will receive over \$813 million annually for capital projects.
- Establish an annual electric vehicle fee of \$250 (with increases of \$10 per year in each of the remaining four years), which will ensure that all motorists using the roads share in the responsibility to maintain their conditions.
- Delay the annual tax rate adjustment for sales of gasoline and diesel motor fuel by three months, from October 1 to January 1, so that any rate changes will coincide with the start of the new year.

"The state's infrastructure is the backbone of commerce and the economy in New Jersey. Our roads, bridges, tunnels and railways need to be repaired, maintained and improved," **said Senator Paul Sarlo, chair of the Senate Budget Committee and prime Senate sponsor of the legislation.** Renewing the Trust Fund will address the state's infrastructure needs, create jobs and fuel economic growth. The annual investments of \$2 billion and more will create tens of thousands of jobs and generate billions of dollars in economic activity that will literally help build New Jersey's future,"

"By extending the Transportation Trust Fund, we are ensuring that vital infrastructure projects that drive our economy

and enhance the lives of our residents can move forward," **said Assemblyman Clinton Calabrese, prime Assembly sponsor of the legislation.** "Investments made in our transportation sector have a significant economic impact, including the creation of more than 20,000 jobs annually. Capital projects demand long-term planning and funding certainty and the renewal of the TTF means these projects can move forward without delay."

"By reauthorizing the Transportation Trust Fund, we are investing in necessary infrastructure projects along with the long-term economic success of our state," **said Assemblyman Benjie E. Wimberly.** "This legislation will create thousands of new jobs - boosting our economy and helping to ensure that our state remains competitive. Communities all across our state will benefit from our investment in transportation, which will keep our bridges and roads safe."

"An investment in our infrastructure is an investment in the future of our State," **said Assemblywoman Yvonne Lopez.** "By reauthorizing the Transportation Trust Fund, we are securing our best-in-class transportation network, ensuring the completion of our most pressing capital projects, and generating thousands of jobs for our hardworking members in labor. The many industries and businesses that call New Jersey home depend on our roadways and bridges to be in good order and through this reauthorization we are supporting our economy and our residents for generations to come."

"We have a responsibility to the residents of New Jersey to make sure our roads, bridges and tunnels are structurally sound," **said Assemblywoman Garnet Hall.** "Reauthorizing the TTF will enable us to fund projects that uphold that important commitment, while creating thousands of new jobs."

"It's vitally important to fund the transportation trust fund, so that the state, counties and our local municipalities can have a steady funding source for our roads and infrastructure. Between stormwater management and road repairs and paving, we can't continue to fund most of it with our already high property taxes without help from the TTF. It's just not feasible," **said Maplewood Mayor Nancy Adams**

"I fully support the New Jersey Transportation Trust Fund and its vital role in maintaining and improving our state's transportation infrastructure. The TTF Authority plays a crucial role in financing essential projects that enhance safety, alleviate congestion, and promote economic growth," **said New Brunswick Mayor Jim Cahill.** "Through programs like the Municipal Aid Grant Program, municipalities like ours receive much-needed assistance to address the challenges facing our roads, bridges, and transportation systems. By working together and leveraging the resources provided by the Transportation Trust Fund, we can continue to improve the quality of life for residents in New Brunswick and across New Jersey."

"As Mayor of Trenton, the Capital City of New Jersey, I commend the passage of Assembly Bill 4011/Senate Bill 2931, reauthorizing the Transportation Trust Fund. I applaud the Governor's work ensuring Infrastructure remains the lifeblood of our economy. The bill signed by the Governor ensures the continuation of vital projects that drive prosperity and enhance the lives of our residents. It is imperative that the State continues to invest in our transportation infrastructure and we should celebrate that our Governor's commitment will safeguard the future of our state's infrastructure and the prosperity of all New Jerseyans," **said Trenton Mayor Reed Gusciora.**

"Investing in the transportation trust fund is not only needed, but necessary for our community, county, and state. We need a reliable funding source for our roads and infrastructure. Road repairs, paving, and stormwater management are already such a burden on small municipalities like ours, and we cannot continue to finance these projects without help from the TTF. I wholeheartedly support this bill and look forward to the assistance it will bring communities like ours across our great state," **said Barrington Mayor Kyle Hanson.**

"As mayor, I prioritize the infrastructure crucial to our community, particularly roads and bridges, ensuring safety for residents whether they use public transport or drive. I appreciate this administration's leadership in acknowledging the significance of funding the TTF," **said Clinton Mayor Janice Kovach.**

"The Transportation Trust Fund provides funding for infrastructure projects that otherwise would not be financially feasible for municipalities. Investments in municipal infrastructure have a direct impact for residents and our local economy, keeping our roadways safe and businesses moving," **said Winslow Township Mayor Marie Lawrence.**

"In a small community like Fanwood every penny matters – particularly when it comes to staying on top of our infrastructure needs. The transportation local aid funding is critical because it comes to us as grants to help offset what we would have to raise through property taxes, while also allowing us to keep on improving our local roads and infrastructure which benefits everyone who lives here," **said Fanwood Mayor Colleen Mahr.**

"Thank you to Governor Murphy and our State Legislature for enacting this critically important bill," **said Hamilton Township Mayor Jeff Martin.** "Hamilton has been able to repair numerous roads through the TTF to continually improve our infrastructure and attract new residents and businesses to town. This law will ensure that commitment exists into the future."

"As the Mayor of a small rural New Jersey town, I hate to think what our tax rate would be without the ability to access road improvement grants from the NJDOT funded by TTF dollars. These NJDOT programs help save our residents tax dollars that otherwise would have to be raised to repair our roads," **said Hope Mayor Tim McDonough.**

"Without the continuation of the Transportation Trust Fund program, my town of Woodbine, along with many of the other economically distressed communities in New Jersey, could ill afford necessary capital improvements to their transportation infrastructure," **said Woodbine Mayor Bill Pikolycky.** "Using TTF funding, Woodbine has been able to invest hundreds of thousands of dollars in capital improvements to our roads, drainage, bikeways, pedestrian improvements and traffic calming, something that would never have happened without the TTF program."

"I am proud of the passage of this critical legislation to reauthorize the Transportation Trust Fund," **said Paterson Mayor Andre Sayegh.** "Investing in our infrastructure is crucial for the economic vitality and well-being of Paterson and New Jersey. Moreover, this legislation would not only make much-needed upgrades to our outdated infrastructure and enhance safety and efficiency for residents, but it would also create thousands of quality jobs and produce billions in economic returns through state investments."

"Infrastructure development is vital to the growth of our economy. Small municipalities like mine don't necessarily have the resources to fund infrastructure projects like roads and stormwater issues. With our limited resources, the transportation trust fund is an important tool for building our infrastructure," **said Penns Grove Mayor LaDaena Thomas.**

"Safe roads mean safe townships," **said Piscataway Mayor Brian C. Wahler.** "Making sure that our Transportation Trust Fund is secure and solvent is a wise investment for our families and our future."

"Once Again, Governor Murphy is standing with aged urban municipalities that depend on this kind of support to keep our cities strong. Our state is stronger because of its great transportation network and the cities that support it. The jobs and economic growth that result from this legislation will go a long way in moving Orange and the State of New Jersey forward," **said City of Orange Mayor Dwayne D. Warren.**

"Renewing the Transportation Trust Fund is great news for New Jersey. It ensures we have a stable source of funding to maintain, repair, and modernize our transportation infrastructure. It also demonstrates that our elected officials are willing to do the work to keep our infrastructure safe and efficient, our economy strong, and construction workers working," **said Michael E. Hellstrom, Vice President and Eastern Regional Manager of the Laborers' International Union of North America (LIUNA)**. "On behalf of LIUNA's 25,000 members in New Jersey, we are grateful to Governor Murphy, Senate President Scutari, Speaker Coughlin and the bill's sponsors for their leadership in passing this important piece of legislation."

"Our infrastructure is the foundation of a strong New Jersey economy. A well maintained and enhanced transportation system keeps New Jersey competitive. The replenishment of the Transportation Trust Fund is not only a sound investment in our critical infrastructure, but it will help increase economic productivity and foster long-term economic growth by creating construction employment and making our transportation system more efficient, reliable and safe," **said Michael Egenton, Executive Vice President of Government Relations for the New Jersey State Chamber of Commerce**.

"The New Jersey State AFL-CIO has consistently supported investment in the state's infrastructure, and we were a proud advocate for the legislation signed into law today," **said Charles Wowkanech, President of the New Jersey State AFL-CIO**. "Not only will this go a long way to ensure our transportation needs are met, but it will create good, family-sustaining union jobs in the construction trades and spur local economic growth."

"This is an historic day for New Jersey – historic for everyone who lives, works, plays and visits here," **said Jerry Keenan, President, New Jersey Alliance for Action**. "It's New Jersey's biggest transportation funding decision in eight years. These projects create jobs and opportunities. The jobs mean careers and the ability to put down roots here. And the opportunities? They're everywhere. It doesn't matter if you're going to work, the Shore or to visit family. We all want safe and reliable transportation options."

"The League appreciates the work of the Governor and the legislative sponsors for the extension of the Transportation Trust Fund. This funding supports the local infrastructure that allows workers to get to their jobs, children to get safely to school, first responders to quickly arrive to emergencies, commerce to move more efficiently and local budget makers to provide tax relief to residents," **said Michael Cerra, Executive Director of the New Jersey League of Municipalities**.

"NJAC commends Governor Murphy and legislative leadership for renewing the Transportation Trust Fund as a stable, dependable, and long-term source of constitutionally dedicated funding that will continue to ensure a safe and reliable network of roads and bridges across the Garden State. As a vital component of the Fund, Local Aid allocations to counties and municipalities provide critical property tax relief, promote economic growth and development, and protect the motoring public on local roads and bridges," **said John Donnadio, Executive Director of New Jersey Association of Counties**.

"The recent reauthorization of the Transportation Trust Fund will help to support our long-standing infrastructure needs in New Jersey, paving the way for people and goods to move where they need to be safely, quickly, and conveniently," **said William Mullen, President of the New Jersey Building and Construction Trades Council**. "Continued and sustainable investment in New Jersey's transportation infrastructure is the backbone of our economy and will pay dividends for generations to come."

"ACCNJ is pleased with the reauthorization of the New Jersey Transportation Trust Fund, which is vital to the overall

economic stability and quality of life for all New Jersey's residents and taxpayers," said **Jack Kocsis, CEO of the Associated Construction Contractors of New Jersey**. "We look forward to seeing the many work opportunities TTF creates for contractors and skilled, trained craftworkers, most of whom reside and raise their families in New Jersey."

"This is a modest, responsible renewal of the Transportation Trust Fund Authority that will maintain a robust level of investment in New Jersey's roads, bridges and transit systems," said **Joseph A. Fiordaliso, President, American Council of Engineering Companies of New Jersey**. "A strong and resilient transportation network fuels our State's economy and allows for the safe travel of our nine million residents. ACECNJ applauds Governor Murphy and legislators from both parties who support investment in transportation."

"The Transportation Trust Fund provides essential funding necessary to build and maintain New Jersey's critical transportation infrastructure," said **David Rible, Executive Director of the Utility & Transportation Contractors Association of New Jersey (UTCA)**. "We commend the Legislature for passing this bill and applaud Governor Murphy for enacting this measure which is a significant investment in bolstering New Jersey's safety, economic well-being and quality of life."