

32:2-23.29a

LEGISLATIVE HISTORY CHECKLIST

(Port of Authority of NY & NJ -- 100 million for mass transit projects)

NJSA 32:2-23.29a

LAWS 1981

CHAPTER 407

Bill No. S3349

Sponsor(s) Herbert

Date Introduced June 25, 1981

Committee: Assembly ---

Senate ---

Amended during passage Yes No

Substituted for A3577 (not attached since identical to S3349)

Date of Passage: Assembly Dec. 3, 1981

Senate June 29, 1981

Date of approval Jan. 7, 1982

Following statements are attached if available:

Sponsor statement Yes No

Committee Statement: Assembly Yes No

Senate Yes No

Fiscal Note Yes No

Veto Message Yes No

Message on signing Yes No

Following were printed:

Reports Yes No

Hearings Yes No

For background see:

974.90 New Jersey. Legislature. Senate. Transportation & Communications Committee.

T764 Public hearing on transportation financing policy programs, held

1981e 5-28-81. Hackensack, NJ, 1981

(over)

6/22/81

- 974.90 New Jersey. Department of Transportation.
T764 Transpac outlined by DOT. March, 13, 1979. Trenton, 1979.
1979g
- 974.90 New Jersey. Legislature. Senate. Transportation & Communications Committee.
R424 Subcommittee on Roles and Responsibilities of the Port Authority of
1980f NY & NJ.
Public hearing, held 12-19-80. Hackensack, 1980.
- 974.90 New Jersey. Department of Transportation.
T764 Recommendations for the Transpac program. May, 1979.
1979r Trenton, 1979.

CHAPTER 407 LAWS OF N.J. 1981
APPROVED 1-7-82

SENATE, No. 3349

STATE OF NEW JERSEY

INTRODUCED JUNE 25, 1981

By Senator HERBERT

(Without Reference)

AN ACT concerning the Port Authority of New York and New Jersey and supplementing P. L. 1979, c. 33 (C. 32:2-23.27 et seq.).

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

1 1. Subject to contracts with bondholders and to the availability
2 of adequate and secure revenues as determined by the Port Author-
3 ity of New York and New Jersey, the authorization given to the
4 authority by P. L. 1979, c. 33 (C. 32:2-23.27 et seq.) to provide
5 capital funds for passenger mass transportation capital projects
6 through the issuance of consolidated bonds is hereby amended to
7 authorize the authority to provide such capital funds through the
8 issuance of consolidated bonds or the provision of its revenues and
9 reserves and to increase the total of such capital funds by an
10 additional sum or sums not to exceed \$200,000,000.00, to be ap-
11 proved by the Governors of the States of New York and New
12 Jersey based upon a certification by the authority that the issuance
13 of its consolidated bonds or the provision of its revenues or re-
14 serves in the amount of each such additional sum will not, during
15 the ensuing 10 years, in the light of the authority's estimated ex-
16 penditures in connection with each such additional sum, materially
17 impair the sound credit standing of the authority or the invest-
18 ment status of its consolidated bonds or the ability of the authority
19 to fulfill any of its commitments, including those which require that
20 it maintain its revenues and reserve funds in an amount adequate
21 to permit it to discharge debt service on outstanding debt obliga-
22 tions, its other undertakings to the holders of consolidated bonds
23 and its service obligations. The additional \$200,000,000.00 or por-
24 tion thereof certified as aforesaid shall be spent equally in the two
25 states for the acquisition, development and financing of buses and
26 ancillary bus facilities.

1 2. This act shall take effect upon the enactment into law by the
2 state of New York of legislation having an identical effect with
3 this act, but if the state of New York has already enacted such
4 legislation, this act shall take effect immediately.

STATEMENT

This legislation supplements the "Transpac" legislation of 1979 whereby the Port Authority of New York and New Jersey assists each state for the acquisition, development, financing and transfer of buses and related facilities.

This bill authorizes the Port Authority to provide each state with an additional \$100 million for passenger mass transportation capital projects through the issuance of consolidated bonds.

S 3349 (1981)

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

JANUARY 7, 1982

FOR FURTHER INFORMATION
DAVE DE MAIO
JOHN FARMER

Governor Brendan Byrne, at a public ceremony, today signed two bills designed to make \$676 million available for major bus, rail, and road improvements in New Jersey.

The first bill, S-3349, authorizes the Port Authority of New York and New Jersey to make available from its reserves up to \$100 million for each state for capital improvements in bus and rail facilities. The authorization for use of the Port Authority's reserves requires the approval of both New York and New Jersey. New York has already given its authorization, and Governor Byrne's action today frees the Port Authority to move ahead with TRANSPAC II, a continuation of the mass transit grant program begun in 1978.

The \$100 million Port Authority grant would be matched by \$400 million in federal transportation aid, which the State would use to fund capital improvements in its commuter rail and bus services.

The \$500 million total will go toward the financing of more than \$650 million in purchases and improvements of bus and rail rolling stock, rail and bus operations, and support facilities.

Some of the major proposed projects under TRANSPAC II include:

- approximately \$80 million in rail construction improvements in the Meadowlands;
- almost \$70 million for the construction of a repair shop support facility for New Jersey Transit buses and trains;
- nearly \$115 million in stock purchases on the Jersey Arrow IV and Comet III lines and
- approximately \$13 million for the construction of a bus and rail transfer terminal in Camden connecting with the PATCO system.

A more detailed list of proposed TRANSPAC projects is attached.

-more-

TRANSPAC I, a \$600 million program (\$120 million from the Port Authority and \$480 million in federal matching funds) is currently financing the purchase of new city and suburban commuter buses; the re-electrification of the Erie-Lackawanna line and the purchase of new carrier and locomotive cars for the Raritan Valley line, among other projects. Leftover funds from TRANSPAC I, under Byrne Administration proposals, would be carried over to help finance TRANSPAC II.

The bill authorizing the Port Authority to provide the capital funds totaling \$200 million from its revenues and reserves was sponsored by Senator Francis X. Herbert (D-Bergen). The legislation lifts the requirements that the Authority issue bonds for such capital expenditures, up to a maximum of \$200 million.

Governor Byrne also signed S-3489, appropriating the remaining \$176 million of the \$475 million Transportation Rehabilitation and Improvement Bond Issue of 1979 for improvements in highways and mass transit services. The bill was sponsored by Senator Laurence S. Weiss (D-Middlesex).

Under the bill, \$60 million is provided for funding rail and bus services improvements; \$4.5 million for a discretionary fund to aid urban revitalization and emergency projects; \$10 million in State aid for county and municipal road improvements; and the remaining \$101.5 million for road and bridge rehabilitation projects, including improvements to Routes 9, 17, 23 and funds to begin construction on the Route 55 freeway.

By signing the bill today, Byrne prevented the delay of highway construction projects, now underway, worth \$12 million.

In a related matter, Transportation Commissioner Ann P. Canby announced New Jersey Transit's decision to enter into a 15 year "leverage leasing" agreement with Albany International Corp. of New York. Under leverage leasing, a new financing concept made possible by federal tax legislation enacted last summer, private sector investment can serve as the state matching share for federal dollars earmarked for state purchases of buses and rail cars.

Under the leasing agreement with New Jersey Transit, Albany International Corp. has acquired a \$15.5 million equity interest in 244 new buses, 39 used buses, 26 Arrow III rail cars and six locomotives for \$1.9 million.

Over the course of the 15-year lease, Albany International will derive the tax benefits associated with the depreciation of the equipment, and, at the end of the lease, total ownership of the equipment will revert to New Jersey Transit.

Attachments:

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FUTURE TRANSPAC PROJECTS1983-84
(in millions)PROGRAM OF 1983-1984 FEDERAL PROJECTS

<u>Program Category</u>	<u>83-84 Funds</u>
Port Authority Bus Purchases	\$100.0
Major Rail Construction	202.0
Rail Operations Support Facilities	118.5
Rail Rolling Stock	114.1
Rail Passenger Facilities	13.0
Bus Operations Support Facilities	89.0
Bus Support Vehicles and Equipment	23.0
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TOTAL ALL CATEGORIES	\$659.6

FUTURE TRANSPAC PROJECTS
(1983-84)

PROJECT SUMMARIES
(\$'s in Millions)

PROGRAM CATEGORY: MAJOR RAIL CONSTRUCTION

Project Description	<u>83-84 Funding</u>	<u>Project Completion Funding</u>
<u>NJCL Electrification (Matawan to Long Branch)</u>	73.5	-0-
A continuation of the existing project to electrify the North Jersey Coast Line from South Amboy to Long Branch, identified funding is for Matawan to Long Branch segment.		
<u>Montclair Connection</u>	5.5	13.9
Construction of a 2,000 foot double track connection on new right-of-way linking the Boonton Line to the Montclair Branch at Montclair to provide Boonton Line riders with direct access to Newark.		
<u>Kearny Connection</u>	43.0	37.0
Construction of a rail connection between the Hoboken Division's Morris and Essex Line and the Northeast Corridor at Kearny to provide direct access to Penn Station, NYC. Includes modification to tracks, signals, and traction power system on the Corridor and at Penn Station, NYC in order to expand peak hour capacity to 26 trains. Also includes modifications to Arrow III's required for operation on the Northeast Corridor.		
<u>Meadowlands Transit Improvements</u>	80.0	-0-
Provide equipment and fixed facilities in support of transit and development improvements in the Meadowlands.		
CATEGORY TOTAL	<u>\$202.0</u>	<u>\$50.4</u>

PROJECT SUMMARIES
(\$'s in Millions)

PROGRAM CATEGORY: RAIL OPERATIONS SUPPORT FACILITIES

<u>Project Description</u>	<u>83-84 Funding</u>	<u>Project Completion Funding</u>
<u>Major Rail Equipment Shop</u>	67.0	-0-
Includes provision of a major repair/rebuild shop, stores, track and turnouts, site preparation and utilities, for a rail equipment repair facility for repairs to equipment operating on NJ TRANSIT Divisions.		
<u>Track Rehabilitation</u>	25.4	15.0
Continuing program to rehabilitate track on all lines not included in other projects. Includes: rail replacement, surfacing, tie renewal, switch replacement as required and track and facilities improvements at various rail equipment maintenance facilities.		
<u>Rail Bridge Improvements</u>	26.1	(continuing)
This project would provide for necessary repairs to the structural parts of State-owned railroad bridges. Engineering inspections are underway to determine which bridges must be repaired.		
CATEGORY TOTAL	\$118.5	\$15.0

PROJECT SUMMARIES
(\$'s in Millions)

PROGRAM CATEGORY: RAIL PASSENGER FACILITIES

<u>Project Description</u>	<u>83-84 Funding</u>	<u>Project Completion Funding</u>
<u>Camden Transportation Terminal</u>	13.0	-0-

Construction of a coordinated rail rapid downtown transit bus transfer and terminal facility in Camden incorporating a bus terminal, parking garage and mass transit station and concourse connecting with the PATCO Lindenwold High Speed Line.

CATEGORY TOTAL

\$13.0

\$ 0

PROJECT SUMMARIES
(\$'s in Millions)

PROGRAM CATEGORY: RAIL ROLLING STOCK

<u>Project Description</u>	<u>83-84 Funding</u>	<u>Project Completion Funding</u>
<u>Jersey Arrow IV Procurement</u>	84.0	-0-
<u>Comet III Procurement</u>	30.1	-0-
Purchase of additional electric M1 and push-pull passenger rail cars to meet projected patronage demands on diesel and electric lines.		
<u>Jersey Arrow III Overhaul</u>	-0-	72.1
<u>Jersey Arrow I/II Overhaul</u>	-0-	63.7
<u>Locomotive Overhaul</u>	-0-	26.3
Overhaul all rail equipment on a 5-7 year cycle to extend rolling stock life.		
<u>Locomotive Replacement</u>	-0-	77.9
Replacement of U34 and GP40 diesel locomotives.		
<u>Newark Subway Replacement</u>	-0-	59.2
Rehabilitation of 24 PCC rail cars which are 31 years old.		
CATEGORY TOTAL	\$114.1	\$259.2

PROJECT SUMMARIES
(\$'s in Millions)

PROGRAM CATEGORY: BUS OPERATIONS SUPPORT FACILITIES

<u>Project Description</u>	<u>83-84 Funding</u>	<u>Project Completion Funding</u>
<u>Bus Maintenance Facility Improvements</u> Provide for the repair and rehabilitation of bus maintenance facilities including garages and shops that require immediate action and a continuing program that includes replacements or additions to fixed facilities.	64.0	(continuing)
<u>Automatic Data Processing</u> Purchase of required software and hardware for automatic data processing center for NJ TRANSIT and its subsidiaries.	5.0	3.0
CATEGORY TOTAL	\$69.0	\$3.0

PROJECT SUMMARIES
 (\$'s in Millions)

PROGRAM CATEGORY: BUS SUPPORT VEHICLES & EQUIPMENT

<u>Project Description</u>	<u>83-84 Funding</u>	<u>Project Completion Funding</u>
<u>Bus Radios System</u>	15.0	-0-
Purchase and installation of a two-way radio system for transit and commuter buses on routes throughout the State including necessary support equipment to permit more efficient operations and more flexibility in the use of the State's bus fleet.		
<u>Bus Fare Collection System</u>	8.0	-0-
Acquisition of fare boxes to replace existing obsolete fare equipment.		
CATEGORY TOTAL	<u>23.0</u>	<u>0</u>