

40:35 B-1 to 40:35 B-52

LEGISLATIVE HISTORY CHECKLIST

("County Transportation Authorities Act"-- Atlantic County)

WASA 40:35B-1 to 40:35B-52

LAIS OF 1980 CHAPTER 44

Bill No. S.1107

Sponsor(s) Perskie and Merlino

Date Introduced February 25, 1980

Committee: Assembly ---

Senate County and Municipal Government

Amended during passage Yes

XX Amendments during passage denoted by asterisks. Substituted for A1220 (original bill Committee Statement and Assembly Committee substitute attached)

Date of Passage: Assembly June 12, 1980

Senate June 9, 1980

Date of approval June 23, 1980

Following statements are attached if available:

Sponsor statement Yes  No

Committee Statement: Assembly  No

Senate Yes  No

Fiscal Note  No

Veto message  No

Message on signing Yes  No

Following were printed:

Reports  No

Hearings  No

See extensive newspaper clipping file---"Atlantic County-1980" in New Jersey Documents Department.

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SENATE, No. 1107

# STATE OF NEW JERSEY

INTRODUCED FEBRUARY 25, 1980

By Senators PERSKIE and MERLINO

Referred to Committee on County and Municipal Government

AN ACT authorizing the planning, development, construction, acquisition, financing and operation of transportation systems by or on behalf of **\*[certain]\*** counties *\*in which are located municipalities in which casino gaming is authorized\**, providing for the establishment of county transportation authorities for the performance of those functions, the issuance of bonds and other obligations therefor, and service charges to meet the expenses thereof, and supplementing Title 40 of the Revised Statutes.

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

1 1. This act shall be known and may be cited as the "County  
2 Transportation Authorities Act."

1 2. The Legislature finds and declares that **\*[it is in the public**  
2 **interest of the citizens of this State to foster and promote by all**  
3 **reasonable means the provision of adequate public transportation**  
4 **and parking facilities by and in certain counties of the State; to**  
5 **encourage these counties to include integrated and adequate transit**  
6 **systems in their development and redevelopment efforts in order**  
7 **to promote modern transportation systems, land-use patterns and**  
8 **public service structures designed for the efficient use of energy,**  
9 **land and other resources, and for the convenience and welfare of**  
10 **residents and visitors; and, to encourage the orderly planning and**  
11 **development of transportation systems through these counties in**  
12 **a manner which is consistent with Statewide needs for efficient**  
13 **and convenient transportation systems.]\*** \*, *as a result of the*  
14 *"Casino Control Act" (P. L. 1977, c. 110; C. 5:12-1 et seq.) and*  
15 *the introduction and development of legalized casino gaming in*  
16 *Atlantic City, intense demands have been placed upon the citizens*  
17 *of the Atlantic County region for the development and provision*

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

18 *of integrated and adequate transportation systems. The Legisla-*  
 19 *ture finds that the orderly planning, development, construction,*  
 20 *acquisition, financing and operation of modern transportation sys-*  
 21 *tems on a countywide basis in that region will benefit residents of,*  
 22 *and visitors to, this State, promote the economic vitality of the*  
 23 *region and the State, avoid the evils of haphazard growth and*  
 24 *land-use development, and advance the efficient use of energy and*  
 25 *other resources. The Legislature further finds that the present and*  
 26 *future need for regional planning and development of transporta-*  
 27 *tion systems in Atlantic County is a wholly exceptional situation, no*  
 28 *parallel to which exists, or is likely to exist in the near future, any-*  
 29 *where in the State.*

30 *The Legislature, therefore, declares that it is in the public in-*  
 31 *terest of the citizens of this State to foster and promote by all*  
 32 *reasonable means the provision of modern transportation and park-*  
 33 *ing facilities in the Atlantic County region, and that the best means*  
 34 *to accomplish this purpose is to authorize the creation of an appro-*  
 35 *priate regionally-oriented instrumentality in the county which will*  
 36 *permit the most direct and immediate attention to the particular*  
 37 *transportation needs of the Atlantic County region consistent with*  
 38 *the need for, and procedures and structures established with re-*  
 39 *spect to, efficient and convenient Statewide transportation systems.\**

1 3. As used in this act:

2 a. "Authority" means a county transportation authority created  
 3 pursuant to section 4 of this act;

4 b. "Bonds" means any bonds, notes or other evidence of  
 5 financial indebtedness issued by an authority pursuant to this act;

6 c. "Cost" means, in addition to the usual connotations thereof,  
 7 the cost of acquisition or construction of all or any property, rights,  
 8 easements and franchises deemed by an authority to be necessary  
 9 or useful and convenient therefor, including interest or discount on  
 10 bonds to finance such cost, engineering and inspection costs and  
 11 legal expenses, the cost of financial, professional and other advice,  
 12 and the cost of issuance of the bonds;

13 d. "Construction" means the planning, designing, construction,  
 14 reconstruction, replacement, extension, enlargement, improvement  
 15 and betterment of parking and transportation facilities, and in-  
 16 cludes the demolition, clearance and removal of buildings or  
 17 structures on land acquired, held, leased or used for that facility;

18 e. "District" means the area within the boundaries of the  
 19 county which created the authority;

20 f. "Parking facility" means any area or place, garage, building,  
 21 or other improvement or structure for the parking or storage of

22 motor or other vehicles, including, without limitation: all real and  
23 personal property, driveways, roads and other structures or areas  
24 necessary or useful or convenient for access to a facility from a  
25 public street, road or highway, or from any transportation facility;  
26 meters, mechanical equipment necessary or useful, or convenient for  
27 or in connection with that parking or storage; and any structures,  
28 buildings, space or accommodations, whether constructed by an  
29 authority or by the lessee, to be leased for any business, commercial  
30 or other use, including the sale of gasoline or accessories for, or the  
31 repair or other servicing of automobiles and other motor vehicles,  
32 if, in the opinion of an authority, the inclusion, provision and leas-  
33 ing is necessary to assist in defraying the expenses of the authority  
34 and make possible the operation of the parking facility at reason-  
35 able rates, but the authority shall not itself engage in the sale of  
36 gasoline or accessories for, or in the repair or other serving of,  
37 automobiles or other motor vehicles except in emergency, nor in  
38 the sale of any service or commodity of trade or commerce;

39 g. "Transportation facility" means any area, place, building,  
40 or other structure designed to provide rail passenger service,  
41 motorbus regular route service, paratransit service, motorbus  
42 charter service, air passenger service, or marine passenger service,  
43 or any two or more of these services, to the public, and includes  
44 passenger stations, shelters and terminals, air passenger terminals,  
45 hangars, heliports, docking and launching facilities, parking  
46 facilities, ramps, track connections, signal systems, power systems,  
47 information and communication systems, roadbeds, transit lanes  
48 or rights of way, equipment storage and servicing facilities,  
49 bridges, grade crossings, rail cars, locomotives, motorbus and other  
50 motor vehicles, boats and other marine vehicles, aircraft, mainte-  
51 nance and garage facilities, revenue handling equipment and any  
52 other equipment, facility or property useful for or related to the  
53 provision of these services;

54 h. "Motorbus regular route service" means the operation of  
55 any motorbus or motorbuses on streets, public highways or other  
56 facilities, over a fixed route and between fixed termini on a regular  
57 schedule for the purpose of carrying passengers, for hire or other-  
58 wise, within the district or between points within the district and  
59 points without the district;

60 i. "Paratransit service" means any service, other than motorbus  
61 regular route service and charter service, including but not limited  
62 to, dial-a-ride, nonregular route, jitney or community minibus, and  
63 shared-ride services such as vanpools, limousines or taxicabs which  
64 are regularly available to the public. Paratransit services shall



65 not include limousine or taxicab service reserved for the private  
66 and exclusive use of individual passengers;

67 j. "Motorbus charter service" means subscription, tour and  
68 other special motorbus services;

69 k. "Rail passenger service" means the operation of railroad,  
70 subway, or light rail systems including fixed and automated guide-  
71 way systems for the purpose of carrying passengers in the district  
72 or between points within the district and points without the district;

73 l. "Air passenger service" means any service which involves  
74 the carriage of persons for compensation or hire by aircraft;

75 m. "Marine passenger service" means any service which in-  
76 volves the carriage of persons for compensation or hire by water-  
77 borne craft;

78 n. "Transportation system" means all parking and transporta-  
79 tion facilities acquired, constructed, leased or operated by a county  
80 transportation authority for the purpose of providing to the public  
81 motorbus regular route service, paratransit service, motorbus  
82 charter service, rail passenger service, air passenger service,  
83 marine passenger service and any other service necessary for the  
84 fulfillment of the purposes of this act; and,

85 o. "Public transportation or public transportation service"  
86 means motorbus regular route service, paratransit service, motor-  
87 bus charter service, rail passenger service, air passenger service,  
88 and marine passenger service.

1 4. a. The governing body of any county \***[of the fifth class hav-**  
2 **ing a population according to the 1970 Federal census of less than**  
3 **200,000]** \**in which is located a municipality in which casino gaming*  
4 *is authorized*\* may by ordinance or resolution, as appropriate, cre-  
5 ate a public body corporate and politic with perpetual succession  
5A under the name and style of "the **.....** transportation  
6 authority" with the name of such county inserted. Every authority  
7 is constituted an instrumentality of the county exercising public  
8 and essential governmental functions.

9 b. The authority shall be governed by a board which shall con-  
10 sist of seven members. \***[Three]** \**Five*\* members shall be resi-  
11 dents of the county, and shall be appointed by the governing body  
12 of the county. \***[Two members shall be residents of the municipi-**  
13 **pality having the largest population within the county, and shall**  
14 **be appointed by the governing body of that municipality.]** \* One  
15 member shall be a \***[chosen freeholder of the county]** \**representa-*  
16 *tive of the county government*\*, appointed by the governing body  
17 of the county \**from among the freeholders, department heads and*  
17A *division directors of the county*\*. One member shall be the Com-

17B commissioner of the Department of Transportation, ex officio. *\*Of the*  
 17C *six members appointed by the governing body of the county, no*  
 17D *more than three shall be members of the same political party.\**

18 c. *\*[Except for the Commissioner of Transportation, and except*  
 19 *as provided in this subsection with respect to the chosen freeholder*  
 20 *member, each]\* \*Each public\* member of the board shall serve for*  
 21 *a 5 year term\* [; except, of the members first appointed:*

22 (1) *Of the three members, other than the chosen freeholder*  
 23 *member, appointed by the county governing body, one shall serve*  
 24 *for a term of 2 years, one shall serve for 4 years, and one shall*  
 25 *serve for 5 years; and,*

26 (2) *Of the two members appointed by the municipality having*  
 27 *the largest population within the county, one shall serve for a*  
 28 *term of 1 year, and one shall serve for 3 years.]\* \*to commence on*  
 28A *on July 1 of the year of appointment, except that, of those first*  
 28B *appointed, one shall serve for a term of 1 year, one shall serve for*  
 28C *a term of 2 years, one shall serve for a term of 3 years, one shall*  
 28D *serve for a term of 4 years, and one shall serve for a term of 5*  
 28E *years.\**

29 The *\*[chosen freeholder member]\* \*representative of the county*  
 30 *government\* shall be annually appointed to serve for a 1 year term*  
 30A *\*to commence on July 1 of the year of appointment\*.*

31 *\*[All terms shall commence on July 1 of the year of appoint-*  
 31A *ment.]\**

32 d. The chairman of the board shall be designated upon appoint-  
 33 ment by the county governing body from among the *\*[three]\**  
 34 *\*public\* members\* [, other than the chosen freeholder member,]\**  
 35 appointed thereby. The first chairman of the board shall be that  
 36 member appointed by the county governing body for an initial 5  
 36A year term.

37 e. The Commissioner of Transportation may designate *\*[one or*  
 38 *more]\* \*a representative from among the\* employees of his de-*  
 39 *partment to represent him at meetings of the board and \* [each]\**  
 40 *\*such\* designee may lawfully vote and otherwise act on behalf of*  
 40A *the commissioner. The designation shall be \*made annually\* in*  
 41 *writing delivered to the board and shall continue in effect until*  
 42 *revoked or amended by written notice delivered to the board.*

43 f. Except for the commisssioner, each member of the board may  
 44 be removed from office for cause by the respective appointing  
 45 authority. A vacancy in the membership of the board, occurring  
 46 other than by expiration of term, shall be filled in the same manner  
 47 as the original appointment for the unexpired term. If the member  
 48 *\*[who is a chosen freeholder shall cease to be a chosen freeholder,]\**

49 *\*representing the county government shall, for any reason, vacate*  
 50 *his position with the county government\** his membership on the  
 50A board shall immediately terminate, and the position shall be vacant.  
 50B *\*If any public member shall become a holder of, or candidate for,*  
 50C *any elective office, or accept appointment to fill any elective office,*  
 50D *his membership on the board shall immediately terminate, and the*  
 50E *position shall be vacant.\**

51 g. A copy of the ordinance or resolution for the creation of an  
 52 authority adopted pursuant to this section, duly certified by the  
 53 appropriate officer of the county, shall be filed in the office of the  
 54 Secretary of State and the office of the Director of the Division  
 55 of Local Government Services. Upon proof of the filing, the au-  
 56 thority shall, in any suit, action or proceeding involving the validity  
 57 or enforcement of, or relating to, any contract or obligation or  
 58 act of the authority, be conclusively deemed to have been lawfully  
 59 and properly created and authorized to transact business and ex-  
 60 ercise its powers under this act. A copy of any certified ordi-  
 61 nance or resolution, duly certified by or on behalf of the Secretary  
 62 of State, shall be admissible in evidence in any suit, action or  
 63 proceeding.

64 h. A copy of each order or resolution appointing any member  
 65 of an authority pursuant to this section, duly certified by the  
 66 appropriate officer, shall be filed in the office of the Secretary of  
 67 State and the office of the Director of the Division of Local Gov-  
 68 ernment Services. A copy of the certified order or resolution, duly  
 69 certified by or on behalf of the Secretary of State, shall be admis-  
 70 sible in evidence of the due and proper appointment of the member  
 71 or members named therein.

1 5. The governing body of any municipality in which any trans-  
 2 portation facility of the authority is located may annually appoint  
 3 a resident of the municipality as its representative to the board.  
 4 The representative shall not be a member or an officer of the au-  
 5 thority, but shall participate in all meetings, activities and pro-  
 6 ceedings of the board.

1 6. a. No county which shall create an authority pursuant to  
 2 this act shall thereafter create any other county transportation  
 3 authority, or utilize any other law for the provision of public trans-  
 4 portation services which can be provided pursuant to this act, or  
 5 create or join in the creation of any county parking authority pur-  
 6 suant to the "Parking Authority Law," P. L. 1948, c. 198  
 7 (C. 40:11A-1 et seq.) or P. L. 1972, c. 83 (C. 40:34A-1 et seq.), or  
 8 any other law. No municipality or any other governmental entity  
 9 within a county which shall create an authority pursuant to this

10 act shall thereafter utilize any other law for the provision of public  
 11 transportation services which can be provided pursuant to this act,  
 12 nor create or join in the creation of any municipal parking authority  
 13 pursuant to the "Parking Authority Law" or any other law.

14 b. If a county, or a municipality within a county which creates  
 15 a county transportation authority pursuant to this act, shall have  
 16 previously created a parking authority pursuant to the "Parking  
 17 Authority Law" P. L. 1948, c. 198 (C. 40:11A-1 et seq.), P. L. 1972,  
 18 c. 83 (C. 40:34A-1 et seq.), or any other law, that county or munici-  
 19 pality shall provide, by ordinance or resolution, as appropriate,  
 20 for the dissolution of the parking authority upon the effective date  
 21 of the creation of the county transportation authority and for the  
 22 transfer of the indebtedness and other obligations, and\*, *except as*  
 23 *herein provided,\** the property and assets of the parking authority  
 24 to the county transportation authority. *\*Any cash surplus accumu-*  
 24A *lated by a municipal parking authority, not used in or necessary*  
 24B *to the operations of the properties and projects of the parking au-*  
 24C *thority, shall be transferred to the governing body of the munici-*  
 24D *pality which established the parking authority.\**

25 The terms of office of any members appointed to the parking  
 26 authority shall terminate immediately upon such effective date.  
 27 The officer having custody of the funds of the parking authority  
 28 shall deliver all funds in his possession into the custody of the  
 29 municipal or county finance officer, who shall deliver all such funds\*,  
 30 *except any portion representing an accumulated cash surplus not*  
 31 *used in or necessary to the operations and projects of the parking*  
 32 *authority,\** into the custody of the proper fiscal officer of the county  
 33 transportation authority. *\*The municipal finance officer shall cause*  
 34 *that portion of any funds received from the parking authority*  
 35 *which represents an accumulated cash surplus to be deposited in*  
 36 *the general fund of the municipality to be used for local purposes.\**  
 37 The county transportation authority shall have the power to com-  
 38 plete any work, service or improvement, and to confirm and col-  
 39 lect previously levied assessments, rates, and other charges, of the  
 40 parking authority, which are incomplete, unconfirmed or uncollected  
 41 on the effective date.

1 7. The county transportation authority, on or before July 10  
 2 annually, shall organize and elect from among its members a vice-  
 3 chairman, who shall hold office until his successor has been ap-  
 4 pointed and qualified. The authority may also appoint a secretary,  
 5 an executive director, and a fiscal officer, who need not be members,  
 6 and determine their qualifications, terms of office, duties and com-  
 7 pensation. The authority may also employ, without regard to

8 Title 11 of the Revised Statutes, engineers, architects, attorneys,  
9 accountants, construction and financial experts, superintendents,  
10 managers and such other agents and employees as it may require,  
11 and determine their duties and compensation.

1 8. a. The powers of the authority shall be vested in the members  
2 thereof in office from time to time, and a majority of its members  
3 shall constitute a quorum at any meeting thereof. Action may be  
4 taken and motions and resolutions adopted by the authority at any  
5 meeting by a vote of a majority of the members, unless the bylaws  
6 of the authority shall require a larger number. No vacancy in the  
7 membership of the board shall impair the right of a quorum to  
8 exercise all the rights and perform all the duties of the board.

9 b. The minutes of every meeting of the authority shall be  
10 promptly delivered by and under the certification of the secretary  
11 to the chief executive officer of the county. No action taken at the  
12 meeting by the board shall be effective until approved by the chief  
13 executive officer or until 10 days after the copy of the minutes shall  
14 have been delivered. If in the 10-day period, the chief executive  
15 officer returns the copy of the minutes with a veto of any action  
16 taken by the board or any member thereof at the meeting, that  
17 action shall be of no effect. The chief executive officer may ap-  
18 prove all or any part of the action taken at that meeting prior to  
19 the expiration of the 10-day period. The veto powers accorded  
20 under this subsection shall not affect in any way the covenants  
21 contained in the bond indentures of the authority, nor any collective  
22 bargaining agreement or binding arbitration decision reached  
23 pursuant to this act.

1 9. The authority may reimburse its members for necessary ex-  
2 penses incurred in the discharge of their duties. The ordinance or  
3 resolution for the creation of the authority may authorize payment  
4 or compensation for service to members of the authority, other  
5 than the Commissioner of Transportation or the \***[chosen free-**  
6 **holder member]**\* *\*representative of the county government\**,  
7 within such annual or other limitations as may be stated in the  
8 ordinance or resolution. Any such provision or limitation stated in  
9 the ordinance or resolution may be amended, supplemented, repeal-  
10 ed or added by subsequent ordinance or resolution, as appropriate,  
11 but no reduction of the payment for compensation shall be effective  
12 during the remaining term of any member of the authority then in  
13 office, except upon that member's written consent. No member shall  
14 receive any payment or compensation of any kind from the author-  
15 ity except as authorized by this section.

1 10. No member, officer or employee of an authority shall have  
2 or acquire any interest, direct or indirect, in the transportation  
3 system or in any property included or planned to be included in the  
4 transportation system, or in any property adjacent to the trans-  
5 portation system which would directly benefit from that location,  
6 or in any contract or proposed contract for materials or services  
7 to be furnished to or used by the authority. No person who is an  
8 officer, director or employee of a holder of, or an applicant for, a  
9 casino license issued or to be issued under the "Casino Control  
10 Act" (P. L. 1977, c. 110; C. 5:12-1 et seq.) shall be a member or  
11 an officer of an authority created pursuant to this act.

1 11. The board meetings shall be subject to the provisions of the  
2 "Open Public Meetings Act," P. L. 1975, c. 231 (C. 10:4-6 et seq.).

1 12. The governing body of any county which has created an  
2 authority pursuant to this act may, by ordinance or resolution, as  
3 appropriate, dissolve that authority on the condition that: a. either  
4 the members of the authority have not been appointed or the  
5 authority by resolution has consented to its dissolution; and, b. the  
6 authority has no debts or obligations outstanding. A copy of the  
7 ordinance or resolution, as the case may be, for the dissolution of  
8 the authority pursuant to this section duly certified by the appro-  
9 priate officer of the county shall be filed in the office of the  
10 Secretary of State, and the Director of Local Government Services.  
11 Upon proof of the filing, and upon proof that either the authority  
12 had no debts or obligations outstanding at the time of the adoption  
13 of the ordinance or resolution, or all creditors or other obligees of  
14 the authority have consented to the ordinance, the authority shall  
15 be conclusively deemed to have been lawfully and properly dis-  
16 solved and the property of the authority shall be vested in the  
17 county adopting the ordinance or resolution, in the manner pre-  
18 scribed therein. A copy of the ordinance or resolution, duly certi-  
19 fied by or on behalf of the Secretary of State, shall be admissible  
20 in evidence in any action, or proceeding, and shall be conclusive  
21 evidence of proper filing.

1 13. The purpose of a county transportation authority shall be  
2 the improvement, establishment and development of parking and  
3 transportation facilities by or through the planning, design, acqui-  
4 sition, construction, improvement, maintenance or operation of any  
5 and all projects and facilities for the improvement and develop-  
6 ment of a modern, efficient and integrated transportation system,  
7 or directly related thereto, either directly or by agreement with  
8 any county, municipality or person, or in any other manner, which

9 in the judgment of the authority will provide an effective and  
10 satisfactory method for promoting its purposes.

1 14. The authority shall prepare, or cause to be prepared, and,  
2 after public hearing, adopt a master plan for the development  
3 within the district of a transportation system. The authority may  
4 from time to time, after public hearing and pursuant to the proce-  
5 dures provided in this act, amend the master plan. The master plan  
6 shall include a report presenting the objectives, assumptions,  
7-8 standards and principles embodied in the various coordinated parts  
9 of the master plan. In preparing the master plan or any amend-  
10 ment thereto, the authority shall consult with the State Department  
11 of Transportation, the New Jersey Transit Corporation, and any  
12 other State or any Federal agency having an interest in the  
13 development of transportation in the district.

14 In preparing the master plan or any amendment thereto, the  
15 authority shall consider the existing and proposed patterns of  
16 land use development of municipalities within the district. In  
17 addition, the master plan shall contain the following elements:

18 a. An identification of existing and projected needs of the dis-  
19 trict for efficient, economical and integrated public transportation  
20 services, and proposed programs to provide and promote an  
21 efficient, economical and integrated transportation system to meet  
22 those needs;

23 b. An identification of the services, facilities and other elements  
24 to be acquired, constructed, leased, operated and provided within  
25 the transportation system, and a program for the acquisition, con-  
26 struction, lease, operation and provision of those services, facilities  
27 and other elements, which program may be timed by various  
28 stages for the development of the transportation system;

29 c. Plans for the preservation, improvement and expansion of the  
30 transportation system, with special emphasis on the coordination:  
31 (1) of transportation and parking facilities to be acquired, con-  
32 structed or leased; (2) of transportation services to be operated  
33 or provided; and, (3) of the use of rail rights of way, highways and  
34 public streets for transportation services;

35 d. Plans for the coordination of the activities of the authority  
36 with other public agencies and authorities; and,

37 e. An identification of existing parking and transportation facili-  
38 ties within the district to be acquired under this act.

39 The authority shall submit the master plan and any amendment  
40 thereto to such independent transportation planning agency as  
41 may be designated by the Commissioner of Transportation, or as  
42 shall be established by law, prior to the adoption thereof. The

43 agency may approve, conditionally approve, or disapprove the  
44 master plan or amendment. If the agency shall approve the  
45 master plan or amendment, the authority may adopt the master  
46 plan or amendment as approved. If the agency shall disapprove  
47 the master plan or amendment, it shall return the master plan or  
48 amendment to the authority with its objections thereto. The  
49 authority shall resubmit the master plan or amendment to the  
50 agency with changes designed to conform the master plan or  
51 amendment with the objections of the agency. The agency shall  
52 approve the resubmitted master plan or amendment if it conforms  
53 with the objections, and the authority upon that approval shall  
54 then adopt the master plan or amendment as approved. If the  
55 agency shall conditionally approve the master plan or amendment,  
56 it shall return the master plan or amendment to the authority with  
57 the specific changes it requires therein for approval. The authority  
58 shall then make those specific changes in the master plan or amend-  
59 ment, and shall adopt the master plan or amendment with the  
60 changes.

61 Upon adoption, the master plan and any amendment thereof shall  
62 be filed with the Governor, *\*the State Department of Transporta-*  
63 *tion, the New Jersey Transit Corporation,\** the governing body of  
64 the county, the governing body of the municipality having the  
65 largest population within the county, and the governing body of  
66 each municipality in which authority transportation or parking  
67 facilities are located.

1 15. In addition to the powers and duties conferred upon it else-  
2 where in this act, the authority may do all acts necessary and  
3 reasonably incident to carrying out the objectives of this act, in-  
4 cluding, but not limited to, the following:

- 5 a. To adopt and have a common seal and to alter it at pleasure;
- 6 b. To sue and be sued;
- 7 c. To acquire, hold, use and dispose of its charges and other  
8 revenues and other moneys in its own name;
- 9 d. In its own name, but for the county, to acquire rent, hold, use  
10 and dispose of other personal property for the purposes of the  
11 authority, and to acquire by purchase, gift, condemnation or other-  
12 wise, or lease as lessee, real property and easements therein,  
13 necessary or useful and convenient for the purposes of the au-  
14 thority, whether subject to mortgages, deeds of trust or other liens,  
15 or otherwise, and to hold and to use the same, and to dispose of  
16 property so acquired no longer necessary for the purposes of the  
17 authority;



18 e. To grant by franchise, lease or otherwise, the use of any  
19 project, facilities or property owned and controlled by it to any  
20 person for such consideration and for such period or periods of  
21 time and upon such other terms and conditions as it may fix and  
22 agree upon, including, but not limited to, the condition that the  
23 user shall or may construct or provide any buildings or structures  
24 or improvements on the project, facilities or property, or portions  
25 thereof;

26 f. To provide for and secure the payment of any bonds and the  
27 rights of the holders thereof, and to purchase, hold and dispose  
28 of any bonds;

29 g. To determine the exact location, type and character of and all  
30 matters in connection with all or any part of the transportation  
31 system which it is authorized to own, construct, establish, effectuate,  
32 operate, or control and to enter on any lands, waters or premises  
33 for the purpose of making such surveys, diagrams, maps or plans  
34 or for the purpose of making such soundings or borings as it deems  
35 necessary or convenient;

36 h. To make and enforce bylaws or rules and regulations for the  
37 management and regulation of its business and affairs and for the  
38 use, maintenance and operation of the transportation system and  
39 any other of its properties, and to amend the same; it shall publish  
40 the same and file them in accordance with the "Administrative  
41 Procedure Act", P. L. 1968, c. 410 (C. 52:14B-1 et seq.) with the  
42 Director of the Office of Administrative Law;

43 i. To acquire, purchase, construct, lease, operate, maintain and  
44 undertake any parking or transportation facility and to make  
45 service charges for the use thereof;

46 j. To call to its assistance and avail itself of the service of any  
47 employees of any Federal, State, county or municipal department,  
48 authority or other agency as it may require and as may be available  
49 to it for its purposes;

50 k. To plan, design, construct, equip, operate, improve and main-  
51 tain, either directly or by contract with any public or private  
52 entity, public transportation services, parking and transportation  
53 facilities or any parts or functions thereof, and other transporta-  
54 tion projects, or any parts or functions thereof;

55 l. To apply for, accept and expend money from any Federal,  
56 State or county or municipal agency or instrumentality, and from  
57 any private source; comply with Federal and State statutes, rules  
58 and regulations; and qualify for and receive all forms of financial  
59 assistance available under Federal law to assure the continuance  
60 of, or for the support or improvement of public transportation, and

61 as may be necessary for that purpose to enter into agreements,  
62 including Federally required labor protective agreements;

63 m. To restrict the rights of persons to enter upon or construct  
64 any works in or upon any property owned or leased by the au-  
65 thority, except under such terms as the authority may prescribe,  
66 perform or contract for the performance of all acts necessary for  
67 the management, maintenance and repair of real or personal prop-  
68 erty leased or otherwise used or occupied pursuant to this act;

69 n. To set and collect fares and determine levels of service for  
70 service provided by the authority either directly or by contract,  
71 including, but not limited to, such reduced fare programs as deemed  
72 appropriate by the authority. Revenues derived from this service  
73 may be collected by the authority and shall be available to the au-  
74 thority for use in furtherance of any of the purposes of this act;

75 o. To set and collect rentals, fees, charges or other payments  
76 from the lease, use, occupancy or disposition of properties owned  
77 or leased by the authority. Such revenues shall be available to the  
78 authority for use in furtherance of any of the purposes of this act;

79 p. To deposit authority revenues in interest bearing accounts  
80 or in the State of New Jersey Cash Management Fund established  
81 pursuant to section 1 of P. L. 1977, c. 28 (C. 52:18A-90.4);

82 q. To procure and enter into contracts for any type of insurance  
83 and indemnify against loss or damage to property from any cause,  
84 including loss of use and occupancy, against death or injury of any  
85 person, against employees' liability, against any act of any member,  
86 officer, employee or servant of the authority, whether part-time,  
87 full-time, compensated or noncompensated, in the performance of  
88 the duties of his office or employment, or any other insurable risk.  
89 In addition, the authority may carry its own liability insurance;

90 r. To promote the use of authority services, coordinate ticket  
91 sales and passenger information and sell, lease or otherwise con-  
92 tract for advertising in or on the equipment or facilities of the  
93 authority;

94 s. To adopt and maintain employee benefit programs for em-  
95 ployees of the authority including, but not limited to, pension,  
96 deferred compensation, medical, disability, and death benefits, and  
97 which programs may utilize insurance contracts, trust funds, and  
98 any other appropriate means of providing the stipulated benefits,  
99 and may involve new plans or the continuation of plans previously  
100 established by entities acquired by the authority;

101 t. To own, vote, and exercise all other rights incidental to the  
102 ownership of shares of the capital stock of any incorporated entity

103 acquired by the authority pursuant to the powers granted by this  
104 act;

105 u. To apply for and accept, from appropriate regulatory bodies,  
106 authority to operate public transportation services where  
107 necessary;

108 v. To delegate to subordinate officers of the authority such  
109 powers and duties as the authority shall deem necessary and proper  
110 to carry out the purposes of this act; and,

111 w. To enter into any contracts, execute any instruments, and do  
112 and perform any acts or things necessary, convenient or desirable  
113 for the purposes of the authority or to carry out any power  
114 expressly given in this act, \***[**except as otherwise provided in this  
115 act, subject to the "Local Public Contracts Law," P. L. 1971, c. 198  
116 (C. 40A:11-1 et seq.)**]**\* *\*subject to sections 16 and 17 of this act.\**

1     \*16. a. *All purchases, contracts or agreements pursuant to this*  
2 *act shall be made or awarded directly by the authority, except as*  
3 *otherwise provided herein, only after public advertisement for bids*  
4 *therefor, in the manner provided in this act, notwithstanding the*  
5 *provisions to the contrary of the "Local Public Contracts Law,"*  
6 *P. L. 1971, c. 198 (C. 40A:11-1 et seq.).*

7     *b. Whenever advertising is required: (1) specifications and in-*  
8 *vitations for bids shall permit such full and free competition as is*  
9 *consistent with the procurement of supplies and services necessary*  
10 *to meet the requirements of the authority; (2) the advertisement*  
11 *for bids shall be in such newspaper or newspapers selected by the*  
12 *authority as will best give notice thereof to bidders and shall be*  
13 *sufficiently in advance of the purchase or contract to promote com-*  
14 *petitive bidding; (3) the advertisement shall designate the time*  
15 *and place when and where sealed proposals shall be received and*  
16 *publicly opened and read, the amount of the cash, certified check,*  
17 *cashiers check or bank check, if any, which shall accompany each*  
18 *bid, and such other terms as the authority may deem proper.*

19     *c. The authority may reject any or all bids not in accord with*  
20 *the advertisement of specifications, or may reject any or all bids*  
21 *if the price of the work materials is excessively above the estimate*  
22 *cost or when the authority shall determine that it is in the public*  
23 *interest to do so. The authority shall prepare a list of the bids,*  
24 *including any rejected and the cause therefor. The authority may*  
25 *accept bids containing minor informalities. Awards shall be made*  
26 *by the authority with reasonable promptness by written notice to*  
27 *the responsible bidder whose bid, conforming to the invitation for*  
28 *bids, will be the most advantageous to the district, price and other*  
29 *factors considered.*

30 *d. A proposal bond equal to at least 50% of the bid executed by*  
 31 *the contractor with such sureties as shall be approved by the au-*  
 32 *thority in its favor, shall accompany each bid and shall be held as*  
 33 *security for the faithful performance of the contractor in that, if*  
 34 *awarded the contract, the bidder will deliver the contract within*  
 35 *10 working days after the award, properly executed and secured*  
 36 *by satisfactory bonds in accordance with the provisions of N. J. S.*  
 37 *2A:44-143 through N. J. S. 2A:44-147 and specifications for the*  
 38 *project. The authority may require in addition to the proposal*  
 39 *bond such additional evidence of the ability of a contractor to per-*  
 40 *form the work required by the contract as it may deem necessary*  
 41 *or advisable. All proposal bonds which have been delivered with*  
 42 *the bids, except those of the two lowest responsible bidders, shall*  
 43 *be returned within 30 days after such bids are received.*

44 *e. If the bidder fails to provide a satisfactory proposal bond as*  
 45 *provided in subsection d. of this section, his bid shall be rejected.*

46 *f. The authority shall determine the terms and conditions of the*  
 47 *various types of agreements or contracts, including provisions for*  
 48 *adequate security, the time and amount or percentage of each pay-*  
 49 *ment thereon and the amount to be withheld pending completion*  
 50 *of the contract, and it shall issue and publish rules and regulations*  
 51 *concerning such terms and conditions, standard contract forms and*  
 52 *such other rules and regulations concerning purchasing or pro-*  
 53 *curement, not inconsistent with any applicable law, as it may deem*  
 54 *advisable to promote competition and to protect the public interest.*

55 *g. The authority shall require that all persons proposing to sub-*  
 56 *mit bids on improvements to capital facilities and equipment shall*  
 57 *first be classified by the authority as to the character and amount*  
 58 *of work on which they shall be qualified to submit bids. Bids shall*  
 59 *be accepted only from persons qualified in accordance with such*  
 60 *classification.*

1 *17. Any purchase, contract or agreement pursuant to subsection*  
 2 *a. of section 16 may be made, negotiated or awarded by the au-*  
 3 *thority without advertising under the following circumstances:*

4 *a. When the aggregate amount involved does not exceed*  
 5 *\$7,500.00; or*

6 *b. In all other cases when the authority seeks to:*

7 *(1) Acquire public or private entities engaged in the provision*  
 8 *of public transportation services, used public transportation equip-*  
 9 *ment or existing transportation facilities or rights of way; or*

10 *(2) Acquire subject matter consisting of: services to be per-*  
 11 *formed by the contractor personally which are of a technical and*  
 12 *professional nature; the purchase of perishable foods or subsistence*

13 *supplies; the lease of such office space, office machinery, specialized*  
 14 *equipment, buildings or real property as may be required for the*  
 15 *conduct of the authority's business; the acquisition of any real*  
 16 *property by gift, grant, purchase or any other lawful manner in*  
 17 *the name of and for the use of the authority for the purpose of the*  
 18 *administration of the authority's business; or, supplies or services*  
 19 *for which the bid prices after advertising therefor are not reason-*  
 20 *able or have not been independently arrived at in open competition,*  
 21 *but no negotiated purchase, contract or agreement may be entered*  
 22 *into after the rejection of all bids received unless (a) notification*  
 23 *of the intention to negotiate and reasonable opportunity to negoti-*  
 24 *ate shall have been given by the authority to each responsible bid-*  
 25 *der, (b) the negotiated price is lower than the lowest rejected bid*  
 26 *price of a responsible bidder, and (c) such negotiated price is the*  
 27 *lowest negotiated price offered by any responsible supplier;*

28 *(3) Make a purchase or award, or make a contract or agreement*  
 29 *under any of the following circumstances: the purchase is to be*  
 30 *made from, or the contract to be made with, the Federal or State*  
 31 *government or any agency or political subdivision thereof; the*  
 32 *public exigency requires the immediate delivery of the articles or*  
 33 *the performance of the service; only one source of supply is avail-*  
 34 *able; more favorable terms can be obtained from a primary source*  
 35 *of supply; articles of wearing apparel are to be purchased which*  
 36 *are styled or seasonal in character; commodities traded on a na-*  
 37 *tional commodity exchange are to be purchased and fluctuations of*  
 38 *the market require immediate action; or, the equipment to be pur-*  
 39 *chased is of a technical nature and the procurement thereof with-*  
 40 *out advertising is necessary in order to assure standardization of*  
 41 *equipment and interchangeability of parts in the public interest; or,*  
 42 *(4) Contract pursuant to section 20 or section 44 of this act.\**

1 *\*[16.]\* \*18.\* The authority may enter into contracts with any*  
 2 *public or private entity for the provision of adequate public trans-*  
 3 *portation and parking facilities; but with the exception of marine*  
 4 *and air passenger service, the authority may not contract for public*  
 5 *transportation services beyond the district without the written con-*  
 6 *sent of the New Jersey Transit Corporation created under P. L.*  
 7 *1979, c. 150 (C. 27:25-1 et seq.) and the Commissioner of Trans-*  
 8 *portation unless the services were provided or authorized to be*  
 9 *provided by a public or private entity acquired by the authority*  
 10 *and only to the extent that the acquired entity is providing or is*  
 11 *authorized to provide the services.*

1     \***[17.]**\* \*19.\* The authority shall not submit any application for  
 2 Federal funding for the operation and improvement of public trans-  
 3 portation and parking facilities under the Urban Mass Transporta-  
 4 tion Act of 1964, P. L. §§ 88-365 (49 U. S. C. §§ 1601 et seq.), or any  
 5 successor or additional Federal law having substantially the same  
 6 or similar purposes or functions, or any other Federal law provid-  
 7 ing financial assistance for transportation systems, unless the proj-  
 8 ect and the project application have been first approved by the  
 9 Commissioner of Transportation.

1     \***[18.]**\* \*20.\* a. Every authority may enter into contracts with  
 2 any public or private entity to operate rail passenger service or  
 3 portions or functions thereof. Where appropriate, payments by the  
 4 authority for services contracted for under this section shall be  
 5 determined in accordance with the Federal Regional Rail Reorga-  
 6 nization Act of 1973 (45 U. S. C. §§701 et seq.), the Federal Rail  
 7 Passenger Service Act of 1970 (45 U. S. C. §§501 et seq.), any other  
 8 applicable Federal law, and any and all rules, regulations and  
 9 standards, promulgated thereunder and decisions issued pursuant  
 10 thereto. In all other cases, payments shall be by agreement upon  
 11 such terms and conditions as the authority shall deem necessary.

12     b. Every authority may enter into contracts with any public or  
 13 private entity to operate motorbus regular route, paratransit or  
 14 motorbus charter services or portions or functions thereof. Pay-  
 15 ments shall be by agreement upon such terms and conditions as the  
 16 authority shall deem necessary.

17     c. Every authority may enter into contracts with any public or  
 18 private entity to operate marine passenger services and air  
 19 passenger services or portions or functions thereof. Payments  
 20 shall be by agreement upon such terms and conditions as the  
 21 authority shall deem necessary.

1     \***[19.]**\* \*21.\* Every authority which acquires a public or private  
 2 entity engaged in the provision of motorbus regular route service  
 3 which, at the time of acquisition provides school bus services may  
 4 continue to provide the services only to the extent that the acquired  
 5 entity is providing or is authorized to provide the service.

1     \***[20.]**\* \*22.\* Every authority may prescribe, and from time to  
 2 time when necessary, revise a schedule of all its facility and service  
 3 charges. The charges fixed, charged and collected shall comply with  
 4 the terms of any contract of the authority and may be so adjusted  
 5 that the revenues of the authority shall at all times be adequate to  
 6 pay the expenses of operation and maintenance of transportation  
 7 system, including reserves, insurance, improvements, replacements,  
 8 and other required payments, and to pay the principal of and inter-

9 est on any bonds and to maintain such reserves or sinking funds  
10 therefor as may be required by the terms of any contract of the au-  
11 thority or as may be deemed necessary or desirable by the authority.  
12 A copy of the schedule of service and facility charges in effect shall  
13 be a public record and shall be filed with the New Jersey Transit  
14 Corporation and the Department of Transportation.

1 \***[21.]**\* \*23.\* Any municipality or county shall have power, in  
2 the discretion of its governing body, to appropriate moneys for the  
3 purposes of the authority, and to loan or donate the moneys to the  
4 authority in such installments and upon such terms as may be  
5 agreed upon with the authority.

1 \***[22.]**\* \*24.\* a. The authority shall not be considered a public  
2 utility as defined in R. S. 48:2-13 and except with regard to sub-  
3 section c. of this section the provisions of Title 48 of the Revised  
4 Statutes shall not apply to the authority.

5 b. The powers given the authority pursuant to section 15 of this  
6 act with respect to fares and service, shall be exercised without  
7 regard or reference to the jurisdiction vested in the Department  
8 of Transportation by R. S. 48:2-21, 48:2-24 and 48:4-3. The  
9 Department of Transportation shall resume jurisdiction over  
10 service and fares upon the termination and discontinuance of a  
11 contractual relationship between the authority and a private or  
12 public entity relating to the provision of public transportation  
13 services operated under the authority of certificates of public con-  
14 venience and necessity previously issued by the department or its  
15 predecessors; provided, however, that no private entity shall be  
16 required to restore any service discontinued or any fare changed  
17 during the existence of a contractual relationship with the au-  
18 thority, unless the Department of Transportation shall determine,  
19 after notice and hearing, that the service or fare is required by  
20 public convenience and necessity.

21 c. Notwithstanding any other provisions of this act, all vehicles  
22 used by any public or private entity pursuant to contract authorized  
23 by this act, and all vehicles operated by the authority directly, shall  
24 be subject to the jurisdiction of the Department of Transportation  
25 with respect to maintenance, specifications and safety to the same  
26 extent that jurisdiction is conferred upon the department by Title  
27 48 of the Revised Statutes.

28 d. Before implementing any fare increase for any motorbus  
29 regular route services, rail passenger services, paratransit services,  
30 or marine or air passenger services, or the substantial curtailment  
31 or abandonment of any those services, the authority shall hold a  
32 public hearing in the area affected during evening hours. Notice of

33 the hearing shall be given by the authority at least 15 days prior to  
 34 the hearing to the governing body of the county and the governing  
 35 body of each municipality within the district whose residents will  
 36 be affected and to the clerk of each county or counties whose resi-  
 37 dents will be affected. The notice shall also be posted at least 15  
 38 days prior to the hearing in prominent places on the railroad cars,  
 39 buses, and other facilities used for the carriage of passengers serv-  
 40 ing the routes to be affected.

1 \***[23.]**\* \*25.\* In any proceeding before the Department of Trans-  
 2 portation for decreasing or abandoning service, any contract pay-  
 3 ments offered by the authority for continuing service shall be  
 4 considered as available revenues by the department in making any  
 5 determination on the petition.

1 \***[24.]**\* \*26.\* a. The authority shall, by \***[September]**\* \*Octo-  
 2 ber\* 1 of each year, file with the Commissioner of Transportation  
 3 a report in such format and detail as the commissioner may require  
 4 setting forth the actual financial, operational and capital results of  
 5 the previous fiscal year and a proposed operational, capital and  
 6 financial plan for the next ensuing fiscal year or any other appro-  
 6A priate period.

7 b. On or before October 31 of each year, the authority shall make  
 8 an annual report of its activities for the preceding fiscal year to the  
 9 Governor, to the governing body of the county, the governing body  
 10 of the municipality having the largest population within the county,  
 11 to the governing body of each municipality in which authority  
 12 transportation or parking facilities are located, and to the presiding  
 13 officers and the Transportation and Communications Committees  
 14 of both Houses of the Legislature. Each report shall set forth a  
 15 complete operating and financial statement covering its operations  
 16 and capital projects during the year.

17 c. Records of minutes, accounts, bills, vouchers, contracts or  
 18 other papers connected with or used or filed with the authority or  
 19 with any officer or employee acting for or in its behalf are declared  
 20 to be public records and shall be open to public inspection in accor-  
 21 dance with P. L. 1963, c. 73 (C. 47:1A-1 et seq.) and regulations  
 22 prescribed by the authority.

23 d. The authority shall cause an audit of its books and accounts  
 24 to be made at least once each year by certified public accountants  
 25 and the cost thereof may be treated as a cost of operation. The  
 26 audit shall be filed within 4 months after the close of the fiscal year  
 27 of the authority and certified duplicate copies thereof shall be filed  
 28 with the office of the chief finance officer of the county, the Depart-  
 29 ment of Transportation, the Director of the Division of Local



29A Government Services and the office of the chief finance officer of each  
 30 municipality in which authority transportation or parking facilities  
 31 are located.

32 e. Notwithstanding the provisions of any law to the contrary, the  
 33 State Auditor or his legally authorized representative may examine  
 34 the accounts and books of the authority.

35 f. The authority shall not **\*[**exercise any of the powers under sec-  
 36 tion 15 of this act prior to the approval by the Commissioner of  
 37 Transportation of the first**]** *\*implement any plans set forth in the\**  
 38 annual fiscal report required to be submitted pursuant to subsec-  
 39 tion a. of this section *\*prior to the approval of the Commissioner*  
 40 *of Transportation of that report\**. If the report is not disapproved  
 41 within **\*[90]** *\*60\** days of its submission to the commissioner,  
 42 the report shall be deemed to be approved. Any report, which is  
 43 disapproved pursuant to this subsection, may be resubmitted to  
 44 the commissioner and shall be **\*[**subject to the limitations set forth  
 45 above**]** *\*deemed to be approved if not disapproved within 20 days*  
 46 *of resubmission\**.

1 **\*[25.]** *\*27.\** For the purpose of raising funds to pay the cost  
 2 of any part of its transportation system or for the purpose of  
 3 funding or refunding any bonds, a county transportation authority  
 4 may authorize or provide for the issuance of bonds pursuant to  
 5 this act, by resolution which shall:

6 a. Describe in brief and general terms sufficient for reasonable  
 7 identification the transportation system or part thereof to be  
 8 constructed or acquired, or describe the bonds which are to be  
 9 funded or refunded;

10 b. State the cost or estimated cost of the project; and,

11 c. Provide for the issuance of the bonds in accordance with  
 12 section **\*[26]** *\*28\** of this act.

13 Any bond resolution proposed for adoption pursuant to this  
 14 section shall be submitted prior to adoption to the Local Finance  
 15 Board for its review and approval. The Local Finance Board shall  
 16 approve the proposed bond resolution if it determines that the cost  
 17 of the project has been accurately determined, that the method  
 18 proposed for the funding of the project cost, proposed or maximum  
 19 terms and provisions of the financing and of any proposed financ-  
 20 ing agreement are reasonable and feasible, and would not impose  
 21 any undue financial burden on the residents of the district, and  
 22 would not materially impair the ability of the authority to pay  
 23 promptly the principal of and interest on the outstanding indebted-  
 24 ness of the authority or to provide existing public transportation  
 25 services. If the proposed bond resolution is not disapproved within

26 90 days of its submission to the Local Finance Board, the proposed  
27 resolution shall be deemed to be approved, and the authority may  
28 proceed to adopt the same. The authority shall not adopt any  
29 bond resolution which is disapproved by the Local Finance Board  
30 within the 90 days, but may resubmit the bond resolution to the  
31 board with such changes as the authority deems appropriate, and  
32 the review and approval of the resubmitted resolution shall be  
33 subject to the limitations set forth above.

1 \***[26.]**\* \*28.\* Upon the adoption of a bond resolution, a county  
2 transportation authority may incur indebtedness, borrow money  
3 and issue its bonds for the purpose of financing the project or of  
4 funding or refunding its bonds. The bonds shall be authorized by  
5 the bond resolution and may be issued in one or more series and  
6 shall bear such date or dates, mature at such time or times not ex-  
7 ceeding the period or average period of usefulness determined in  
8 the resolution, bear interest at such rate or rates, be in such denomi-  
9 nation or denominations, be in such form, either coupon or regis-  
10 tered, carry such conversion or registration privileges, have such  
11 rank or priority, be executed in such manner, be payable from such  
12 sources, in such medium of payment, at such place or places within  
13 or without the State, and be subject to such terms or redemption,  
14 with or without premium, all as the bond resolution may provide.  
15 The authority may issue the types of bonds as it may determine,  
16 including, but not limited to, bonds on which the principal and  
17 interest are payable: a. exclusively from the income and revenues  
18 of the project financed with the proceeds of the bonds; b. exclu-  
19 sively from the income and revenues of certain designated projects  
20 whether or not they are financed in whole or in part with the  
21 proceeds of the bonds; or c. its revenues generally. The bonds may  
22 be additionally secured by a pledge of any grant or contributions  
23 from the Federal Government, the State, county or any munici-  
24 pality or a pledge of any income or revenues of the authority,  
25 including income or revenues to be received pursuant to grant or  
26 lease by the authority of the use or services of any facility owned or  
27 controlled by it. This act shall be complete authority, and the provi-  
28 sions of any other law shall not apply to the issuance of the bonds.

1 \***[27.]**\* \*29.\* Bonds of a county transportation authority may be  
2 sold by the authority at public or private sale at such price or prices  
3 as the authority shall determine, but the interest cost to maturity of  
4 the money received for any issue of bonds shall not exceed that  
5 specified in the bond resolution.

1     \***[28.]**\* \*30.\* The county transportation authority shall cause a  
2 copy of any bond resolution adopted by it to be filed for public in-  
3 spection in its office and in the office of the clerk of the governing  
4 bodies of the counties and municipalities within the district, and  
5 shall thereupon cause to be published, at least once, in a newspaper,  
6 published or circulating in the district a notice stating the fact and  
7 date of the adoption and the places where the bond resolution has  
8 been filed for public inspection; the date of the first publication of  
9 the notice; and, that any action or proceeding of any kind or nature  
10 in any court questioning the validity or proper authorization of  
11 bonds provided for by the bond resolution, or the validity of any  
12 covenants, agreements or contracts provided for by the bond resolu-  
13 tion, shall be commenced within 20 days after the first publication  
14 of notice. If the notice shall be so published, and if no action or  
15 proceeding questioning the validity or proper authorization of  
16 bonds provided for by the bond resolution referred to in the notice,  
17 or the validity of any covenants, agreements or contracts provided  
18 for by the bond resolution, shall be commenced or instituted within  
19 20 days after the first publication of the notice, then all residents  
20 and taxpayers and owners of property in the district and users  
21 of the transportation system and all other persons whatsoever  
22 shall be forever barred and foreclosed from instituting or com-  
23 mencing any action or proceeding in any court, or from pleading  
24 any defense to any action or proceeding, questioning the validity  
25 or proper authorization of the bonds, or the validity of the cove-  
26 nants, agreements or contracts, and the bonds, covenants, agree-  
27 ments and contracts shall be conclusively deemed to be valid and  
28 binding obligations in accordance with their terms and tenor.

1     \***[29.]**\* \*31.\* Any bond resolution of a county transportation  
2 authority providing for or authorizing the issuance of any bonds  
3 may contain provisions, and the authority, in order to secure the  
4 payments of the bonds and in addition to its other powers, may,  
5 by provision in the bond resolution, covenant with the several  
6 holders of the bonds, as to:

- 7     a. The custody, security, use, expenditure or application of the  
8 proceeds of the bonds;
- 9     b. The construction and completion, or replacement, of all or  
10 any part of the transportation system;
- 11     c. The use, regulation, operation maintenance, insurance or  
12 disposition of all or any part of the transportation system, or  
13 restrictions on the exercise of the powers of the authority to  
14 dispose or to limit or regulate the use of all or any part of the  
15 transportation system;

16 d. Payment of the principal of or interest on the bonds, or any  
17 other obligations, and the sources and methods thereof, the rank  
18 or priority of the bonds or obligations as to any lien or security, or  
19 the acceleration of the maturity of the bonds or obligations;

20 e. The use and disposition of any moneys of the authority,  
21 including revenues derived or to be derived from the operation of  
22 all or any part of the transportation system, including any parts  
23 thereof theretofore constructed or acquired and any parts, exten-  
24 sions, replacements or improvements thereof thereafter constructed  
25 or acquired;

26 f. Pledging, setting aside, depositing or trusteeing all or any part  
27 of the revenues or other moneys of the authority to secure the  
28 payment of the principal of or interest on the bonds or any other  
29 obligations or the payment of expenses of operation or maintenance  
30 of the transportation system, and the powers and duties of any  
31 trustee with regard thereto;

32 g. The setting aside out of the revenues or other moneys of the  
33 authority of reserves and sinking funds, and the source, custody,  
34 security, regulation, application and disposition thereof;

35 h. Determination or definition of the revenues or of the expenses  
36 of operation and maintenance of the transportation system;

37 i. The rents, rates, fees, or other charges in connection with or  
38 for the use of the transportation system, including any parts  
39 thereof theretofore constructed or acquired and any parts, exten-  
40 sions, replacements or improvements thereof thereafter constructed  
41 or acquired, and the fixing, establishment, collection and enforce-  
42 ment of the same, the amount or amounts of revenues to be pro-  
43 duced thereby, and the disposition and application of the amounts  
44 charged or collected;

45 j. The assumption or payment or discharge of any indebtedness,  
46 liens or other claims relating to any part of the transportation  
47 system or any obligations having or which may have a lien on  
48 any part of the revenues;

49 k. Limitations on the issuance of additional bonds or any other  
50 obligations or on the incurrence of indebtedness of the authority;

51 l. Limitations on the powers of the authority to construct,  
52 acquire or operate, or to consent to the construction, acquisition or  
53 operation of, any structures facilities or properties which may  
54 compete or tend to compete with the transportation system, except  
55 these limitations may not be imposed without the consent of the  
56 New Jersey Transit Corporation;

57 m. Vesting in a trustee or trustees such property, rights, powers  
58 and duties in trust as the authority may determine, which may  
59 include any or all of the rights, powers and duties of the trustee  
60 appointed by the holders of bonds pursuant to section \***[30]**\* \*32\*  
61 of this act, and limiting or abrogating the right of the holders to  
62 appoint a trustee pursuant to section \***[30]**\* \*32\* or limiting the  
63 rights, duties and powers of the trustee:

64 n. The procedure, if any, by which the terms of any covenant  
65 or contract with, or duty to, the holders of bonds may be amended  
66 or abrogated, the amount of bonds the holders of which the consent  
67 thereto, and the manner in which the consent may be given or  
68 evidenced; or

69 o. Any other matter or course of conduct which, by recital in the  
70 bond resolution, is declared to further secure the payment of the  
71 principal of or interest on the bonds and to be part of any  
72 covenant or contract with the holders of the bonds.

73 These provisions of the bond resolution and covenants and  
74 agreements shall constitute legally binding contracts between the  
75 authority and the several holders of the bonds, regardless of the  
76 time of issuance of the bonds, and shall be enforceable by the  
77 holder or holders by appropriate action, suit or proceeding in any  
78 court of competent jurisdiction.

1 \***[30.]**\* \*32.\* a. If the bond resolution of a county transportation  
2 authority authorizing or providing for the issuance of a series of its  
3 bonds shall provide in substance that the holders of the bonds of that  
4 series shall be entitled to the benefits of this section, and if there  
5 shall be a default in the payment of principal of or interest on  
6 any bonds of that series after the same shall become due, whether  
7 at maturity or upon call for redemption, and if that default shall  
8 continue for a period of 30 days, or if the authority shall fail or  
9 refuse to comply with any of the provisions of this act or shall  
10 fail or refuse to carry out and perform the terms of any contract  
11 with the holders of the bonds, and if the failure or refusal shall  
12 continue for a period of 30 days after written notice to the authority  
13 of its existence and nature, the holders of 25% in aggregate princi-  
14 pal amount of the bonds of that series then outstanding by instru-  
15 ment or instruments filed in the office of the Secretary of State and  
16 proved or acknowledged in the same manner as a deed to be re-  
17 corded, may appoint a trustee to represent the holders of the bonds  
18 of that series for the purposes provided in this section.

19 b. The trustee may and upon written request of the holders of  
20 25% in aggregate principal amount of the bonds of that series then  
21 outstanding shall, in his or its own name:

22 (1) By any action, or other proceeding, enforce all rights of the  
 23 holders of the bonds, including the right to require the authority  
 24 to charge and collect facility or service charges adequate to carry  
 25 out any contract as to, or pledge of, revenues, and to require the  
 26 authority to carry out and perform the terms of any contract with  
 27 the holders of the bonds or its duties under this act;

28 (2) Bring an action upon all or any part of the bonds or interest  
 29 coupons or claims appurtenant thereto;

30 (3) By action, require the authority to account as if it were the  
 31 trustee of an express trust for the holders of the bonds;

32 (4) By action, enjoin any acts or things which may be unlawful  
 33 or in violation of the rights of the holders of the bonds; or,

34 (5) Declare the bonds due and payable, whether or not in ad-  
 35 vance of maturity, upon 30 days' prior notice in writing to the  
 36 authority and, if all defaults shall be made good, then with the  
 37 consent of the holders of 25% of the principal amount of the bonds  
 38 then outstanding, annul the declaration and its consequences.

39 c. The trustee shall, in addition to the foregoing, have all of  
 40 the powers necessary or appropriate for the exercise of the func-  
 41 tions specifically set forth herein or incident to the general repre-  
 42 sentation of the holders of bonds of that series in the enforcement  
 43 and protection of their rights.

44 d. In any action or proceeding by the trustee, the fees, counsel  
 45 fees and expenses of the trustee and of the receiver, if any, ap-  
 46 pointed pursuant to this act, shall, if allowed by the court, consti-  
 47 tute taxable costs and disbursements, and all costs and disburse-  
 48 ments, allowed by the court, shall be a first charge upon any facility  
 49 and service charges and revenues of the authority pledged for the  
 50 payment or security of bonds of that series.

1 \***[31.]**\* \*33.\* If the bond resolution of a county transportation  
 2 authority authorizing or providing for the issuance of a series of its  
 3 bonds shall provide in substance that the holders of the bonds of that  
 4 series shall be entitled to the benefits of section \***[30]**\* \*32\* of this  
 5 act and shall further provide in substance that any trustee ap-  
 6 pointed pursuant to that section or having the powers of such a trust-  
 7 tee shall have the powers provided by this section, then the trustee,  
 8 whether or not all of the bonds of the series shall have been declared  
 9 due and payable, shall be entitled to the appointment of a receiver  
 10 of the transportation system, and the receiver may enter upon and  
 11 take possession of the transportation system and, subject to any  
 12 pledge or contract with the holders of the bonds, shall take posses-  
 13 sion of all moneys and other property derived from or applicable to  
 14 the acquisition, construction, operation, maintenance or reconstruc-

15 tion which the authority is under any obligation to do, and operate,  
16 maintain and reconstruct the transportation system and fix, charge,  
17 collect, enforce and receive the facility and service charges and all  
18 revenues thereafter arising subject to any pledge thereof or con-  
19 tract with the holders of the bonds relating thereto, and perform  
20 the public duties and carry out the contracts and obligations of  
21 the authority in the same manner as the authority itself might do  
22 and under the direction of the court.

1 \***[32.]**\* \*34.\* Neither the members of the county transportation  
2 authority nor any person executing bonds issued pursuant to this  
3 act shall be liable personally on the bonds by reason of the issuance  
4 thereof. Bonds or other obligations issued by the authority pursu-  
5 ant to this act shall not be a debt or liability of the State or of any  
6 county or municipality and shall not create or constitute any in-  
7 debtedness, liability or obligation of the State or of any county or  
8 municipality. Nothing contained in this act shall be construed to  
9 authorize any county transportation authority to incur any indebt-  
10 edness on behalf of or to obligate the State or any county or mu-  
11 nicipality.

1 \***[33.]**\* \*35.\* Notwithstanding the provisions of any law to the  
2 contrary, any bond or other obligation issued pursuant to this act  
3 shall be fully negotiable within the meaning and for all purposes of  
4 the negotiable instruments law of the State, and each holder or  
5 owner of such a bond or other obligation, or of any coupon appur-  
6 tenant thereto, by accepting the bond, obligation or coupon shall  
7 be conclusively deemed to have agreed that the bond, obligation or  
8 coupon is and shall be fully negotiable within the meaning and for  
9 all purposes of the negotiable instruments law.

1 \***[34.]**\* \*36.\* a. The authority may acquire by purchase, con-  
2 demnation, lease, gift or otherwise, on terms and conditions and in  
3 the manner it deems proper, for use by the authority or for use by  
4 any other public or private entity providing rail passenger, motor-  
5 bus regular route, paratransit, marine passenger, air passenger or  
6 motorbus charter services, all or part of the facility, plant, equip-  
7 ment, property, shares of stock, rights of property, reserve funds,  
8 employees pension or retirement funds, special funds, franchises,  
9 licenses, patents, permits and papers, documents and records of a  
10 public or private entity providing that service within the district.

11 b. The authority may acquire by purchase, condemnation, lease,  
12 gift or otherwise, on the terms and conditions and in the manner  
13 it deems proper, any land or property real or personal, tangible  
14 or intangible which it may determine is reasonably necessary for  
15 the purposes of the authority under the provisions of this act.

16 c. (1) The authority, when acquiring property pursuant to sub-  
 17 sections a. or b. of this section shall exercise its power of eminent  
 18 domain in accordance with the provisions of the "Eminent Domain  
 19 Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.).

20 (2) As used in this act, the definition of property in section 2 of  
 21 P. L. 1971, c. 361 (\*C. 20:3-2) includes all property referred to in  
 22 subsections a. or b. of this section, and the provisions of P. L.  
 23 1971, c. 361 shall apply to that property.

24 d. (1) If the authority shall determine to acquire by condemnation  
 25 all outstanding shares of corporate stock of a company, and if the  
 26 stock is owned by 10 or more individuals or entities, the court, on  
 27 application of the authority, shall appoint a trustee who shall act  
 28 as representative of all stockholders for the purpose of the con-  
 29 demnation proceedings. Upon the appointment of a trustee, the  
 30 authority may file a single condemnation action condemning all  
 31 outstanding shares of stock and naming the appointed trustee as  
 32 representative of all defendant owners.

33 (2) When a trustee has been appointed pursuant to this section,  
 34 the court may award the trustee a reasonable fee as payment for  
 35 services rendered. Other costs, expenses and fees shall be paid from  
 36 the proceeds of the condemnation award or settlement if amicably  
 37 resolved.

38 e. A State agency, State authority, county, municipality, bistate  
 39 authority, or other political subdivision of the State is authorized  
 40 to donate, give, transfer or assign any asset or property it now  
 41 owns or may hereafter acquire to the authority which may be  
 42 necessary for the furtherance of the objectives of this act.

43 f. Upon the filing of a declaration of taking the authority shall  
 44 be entitled to the immediate possession of all property and assets  
 45 named therein; and in the case of a condemnation pursuant to  
 46 subsection d. or the acquisition of the entire assets of any entity,  
 47 the authority shall be entitled to immediate possession and control  
 48 of all assets and facilities and shall have exclusive management  
 49 authority over the entity taken.

1 \***[35.]**\* \*37.\* a. As used in this section:

2 (1) "Employee" means:

3 (a) An employee of the authority; or,

4 (b) An employee of any public or private entity acquired, owned,  
 5 or operated by the authority.

6 "Employee" does not include an employee of a public or private  
 7 entity, other than as provided in subsection f. and in (a) and (b)  
 8 above, which provides public transportation services pursuant to  
 9 operating rights granted by a regulatory body or pursuant to au-



10 thority arising from contractual agreements entered into with the  
11 authority pursuant to section \***[18]**\* \*20\* of this act. Except as  
12 provided in subsection g. of this section, "employee" does not in-  
13 clude a supervisory employee as defined under the "Labor Manage-  
14 ment Relations Act, 1947" (29 U. S. C. §§ 141 et seq.) or a man-  
15 agerial executive or confidential employee as defined under the  
16 "New Jersey Employer-Employee Relations Act," P. L. 1941, c. 100  
17 (C. 34:13A-1 et seq.).

18 (2) "Employer" means an employer of an employee.

19 (3) "Acquisition by the authority of a public or private entity  
20 which provides public transportation services," or words of like  
21 import, mean an acquisition effected by a purchase or condemna-  
22 tion of all, or a controlling interest in, the stock or other equity  
23 interest of the entity, or purchase or condemnation of all or sub-  
24 stantially all of the assets of the entity.

25 b. In accordance with law, employees of the employer shall have  
26 and retain their rights to form, join or assist labor organizations  
27 and to negotiate collectively through exclusive representatives of  
28 their own choosing.

29 c. The enforcement of the rights and duties of the employer and  
30 employees shall be governed by the "New Jersey Employer-Em-  
31 ployee Relations Act" P. L. 1941, c. 100 (C. 34:13A-1 et seq.) and  
32 shall be within the jurisdiction of the Public Employment Relations  
33 Commission established pursuant to that act. In carrying out this  
34 function, the commission shall be guided by the relevant Federal  
35 or State labor law and practices, as developed under the "Labor  
36 Management Relations Act, 1947" or under the "Railway Labor  
37 Act," (45 U. S. C. §§151 et seq.); except, employees shall not have  
38 the right to strike except as provided by the "Railway Labor Act."  
39 Whenever negotiations between the employer and an exclusive re-  
40 presentative concerning the terms and conditions of employment  
41 shall reach an impasse, the commission shall, upon the request of  
42 either party, take such steps as it may deem expedient to effect a  
43 voluntary resolution of the impasse, including the assignment of a  
44 mediator. In the event of a failure to resolve the impasse by media-  
45 tion, the commission shall, at the request of either party, invoke  
46 fact finding with recommendations for settlement of all issues in  
47 dispute. Fact-finding shall be limited to those issues that are within  
48 the required scope of negotiations. In the event of a continuing  
49 failure to resolve an impasse by means of the procedure set forth  
50 above, and notwithstanding the fact that these procedures have not  
51 been exhausted, but not later than 30 days prior to the expiration  
52 of a collectively negotiated contract, the procedures set forth in

53 paragraph (2) of subsection c. of section 3 and sections 4 through  
54 8 of P. L. 1977, c. 85 (34:13A-16d. (2) through 34:13A-21) shall be  
55 the sole method of dispute resolution, unless the parties mutually  
56 agree upon an alternative form of arbitration;

57 d. The majority representative of employees in an appropriate  
58 unit shall be entitled to act for, and negotiate successor agreements  
59 covering, all employees in the unit and shall be responsible for  
60 representing the interests of those employees without discrimina-  
61 tion. It shall be the mutual obligation of the employer and the  
62 majority representative of any of its employees to negotiate collec-  
63 tively with respect to mandatorily negotiable subjects which inti-  
64 mately and directly affect the work and welfare of employees.  
65 These subjects include wages, hours of work, the maintenance of  
66 union security and check-off arrangements, pensions, and other  
67 terms and conditions of employment. The obligation to negotiate  
68 in good faith encompasses the responsibility to meet at reasonable  
69 times and to confer on matters properly presented for negotiations  
70 and to execute a written contract containing an agreement reached,  
71 but the obligation does not compel either party to agree to a pro-  
72 posal or require the making of a concession.

73 e. In acquiring, operating, or contracting for the operation of  
74 public transportation services, the authority shall make provision  
75 to assure continuing representation for collective negotiations on  
76 behalf of employees, giving due consideration to preserving  
77 established bargaining relationships to the extent consistent with  
78 the purposes of this act. Those relationships may be changed only  
79 in accordance with the principles established under the "Labor  
80 Management Relations Act, 1947" and the "Railway Labor Act."

81 Upon acquisition by the authority of a public or private entity  
82 which provides public transportation services, the authority shall  
83 assume and observe all existing labor contracts of such entity for  
84 their remaining term. All of the employees of the acquired entity,  
85 as defined in subsection a., shall be transferred to the employment  
86 of the employer and appointed to comparable positions without  
87 examination subject to all the rights and benefits of this act, and  
88 these employees shall be given sick leave, seniority, vacation, and  
89 pension credits in accordance with the records and labor agreements  
90 of the acquired entity.

91 f. For purposes of this subsection:

92 (1) "Employee" means an employee employed, as of the date of  
93 the first acquisition by the authority, by any entity acquired,  
94 owned or operated by the authority or by any other entity which  
95 provides motorbus regular route, but does not mean supervisory  
96 employees, managerial executive and confidential employees;

97 (2) "Action by the corporation" mean acquisition, contracts for  
98 motorbus regular route, mergers, consolidations, coordination and  
99 rearrangements of services and work forces, but does not mean:

100 (a) The setting of fares by contract or otherwise unless that  
101 action results in a substantial diversion of riders; or

102 (b) The discontinuance of motorbus regular route services by  
103 the authority to the extent that substantially similar public trans-  
104 portation service does not continue to be provided; or

105 (c) A failure or refusal, by the authority, to enter into a contract  
106 for all or a portion of an entity's motorbus regular route service  
107 to the extent that substantially similar public transportation service  
108 does not continue to be provided.

109 Except as provided herein, employees whose positions are  
110 worsened with regard to wages, hours, seniority and other terms  
111 and conditions of employment, shall be protected for a period of 5  
112 years from the date of the first acquisition by the authority. This  
113 time limitation does not apply to protections afforded to employees  
114 whose positions are worsened as a result of acquisitions or con-  
115 tracts which transfer responsibility for the provision of sub-  
116 stantially similar motorbus regular route service from one entity,  
117 including the authority, to another. With regard to any acquisition  
118 or contract transferring service responsibility, only claims arising  
119 from actions taken within 18 months therefrom shall be eligible for  
120 protection.

121 Protections and procedures to implement those protections shall  
122 be provided in accordance with the terms of the agreement entered  
123 into between the Department of Transportation's Commuter  
124 Operating Agency, established pursuant to P. L. 1966, c. 301 (C.  
125 27:1A-16 et seq.), and Amalgamated Transit Union on March 2,  
126 1976, except that no protective allowances or other benefits shall  
127 exceed 3 years' duration. Pursuant to this agreement, the employer  
128 of the employee shall be considered the "assisted carrier" and  
129 actions of the authority shall constitute the "project."

130 g. For purposes of this subsection, "employees" means in-  
131 dividuals, including supervisory employees, management executives  
132 and confidential employees, who:

133 (1) Have terminated their employment with an acquired entity  
134 with vested retirement benefits; or,

135 (2) Are employed by the authority after accruing retirement  
136 benefits, whether or not vested, while employed by an acquired  
137 entity.

138 The authority as a condition of acquiring a public or private  
139 entity which provides public transportation services, shall ensure

140 that employees' retirement benefits, which have accrued on the  
 141 basis of service to the date of the acquisition, are provided for and  
 142 paid as they come due. These benefits shall be provided for and  
 143 paid either by the entity so acquired, the former owner or owners  
 144 of the entity, an affiliate of the entity, the Pension Benefit Guaranty  
 145 Corporation, another public instrumentality, the authority itself,  
 146 any other reasonable means, or any combination of the foregoing.  
 147 These benefits may be provided for either through existing plans,  
 148 new plans, mergers or consolidations of plans, or other appropriate  
 149 or reasonable means.

1     \*38. *Notwithstanding the provisions of section 37 of this act,*  
 2 *upon acquisition by the authority, whether by purchase, condemna-*  
 3 *tion or otherwise, of an entity providing jitney bus service in any*  
 4 *municipality pursuant to R. S. 48:16-23 et seq., the authority shall,*  
 5 *in addition to any compensation to be provided pursuant to the*  
 6 *"Eminent Domain Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.)*  
 7 *or other provisions of law, provide the operator of such entity with*  
 8 *preference for employment with the authority in any available*  
 9 *position similar to that formerly held by the operator, at the salary*  
 10 *being paid by the authority for such position to persons having ex-*  
 11 *perience equal in years to that of the operator; provided, however,*  
 12 *that if the operator is willing to assume such employment with the*  
 13 *authority, but is in the judgment of the authority incapable by rea-*  
 14 *son of age, physical disability, or otherwise of doing so, the author-*  
 15 *ity shall pay to the operator, in accordance with fiscal procedures*  
 16 *established by the authority, an amount equal to the salary which*  
 17 *such operator would otherwise have received in 1 year of employ-*  
 18 *ment in the available position.*

19     *No operator entitled to employment preference or a payment*  
 20 *under this section shall be entitled to any employment rights or*  
 21 *other benefits provided under section 37 of this act. No payments*  
 22 *made pursuant to this section shall be made from State or Federal*  
 23 *funds received by the authority.*

1     39. a. *All contracts awarded by an authority pursuant to this act*  
 2 *and all subcontracts awarded in connection therewith shall contain*  
 3 *appropriate provisions by which contractors and subcontractors*  
 4 *or their assignees agree to afford an equal employment opportunity*  
 5 *to all prospective employees and to all actual employees to be em-*  
 6 *ployed by the contractor or subcontractor in accordance with an*  
 7 *affirmative action program approved by the authority and conso-*  
 8 *nant with the provisions of the "Law Against Discrimination" P. L.*  
 9 *1945, c. 169 (C. 10:5-1 et seq.). No contract shall be awarded by*  
 10 *the authority in violation of this subsection.*

11 *b. Any authority created pursuant to this act shall formulate*  
 12 *and abide by an affirmative-action program of equal opportunity*  
 13 *whereby the authority guarantees to provide equal employment*  
 14 *opportunity to members of minority groups in accordance with the*  
 15 *provisions of the "Law Against Discrimination" P. L. 1945, c. 169*  
 16 *(C. 10:5-1 et seq.).\**

1 **\*[36.]\* \*40.\*** In addition to other powers conferred by this act or  
 2 by any other law, every county transportation authority, in connec-  
 3 tion with construction or operation of any part of a transportation  
 4 system, may make reasonable regulations for the installation, con-  
 5 struction, maintenance, repair, renewal, relocation and removal of  
 6 tracks, pipes, mains, conduits, cables, wires, towers, poles or any  
 7 other equipment and appliances (herein called "facilities") of any  
 8 public utility as defined in R. S. 48:2-13, in, on, along, over or  
 9 under any real property of the county transportation authority.  
 10 Whenever in connection with construction or operation of any part  
 11 of a transportation system, any county transportation authority  
 12 shall determine that it is necessary that those facilities, which now  
 13 are, or hereafter may be, located in, on, along, over or under any  
 14 such real property, should be relocated in the real property, or  
 15 should be removed therefrom, the public utility owning or operat-  
 16 ing the facilities shall relocate or remove the same in accordance  
 17 with the order of the authority; but the cost and expenses of the  
 18 relocation or removal, including the cost of installing the facilities  
 19 in a new location, or new locations, and the cost of any lands or  
 20 any rights or interest in lands, or any other rights acquired to  
 21 accomplish the relocation or removal, less the cost of any lands or  
 22 any rights or interest in lands or any other rights of the public  
 23 utility paid to the public utility in connection with the relocation  
 24 or removal of the property, shall be paid by the authority and may  
 25 be included in the cost of the transportation system. In case of any  
 26 relocation or removal of facilities, the public utility owning or  
 27 operating the same, its successors or assigns, may maintain and  
 28 operate the facilities, with the necessary appurtenances, in the new  
 29 location or new locations for as long a period, and upon the same  
 30 terms and conditions, as it had the right to maintain and operate  
 31 the facilities in their former location.

1 **\*[37.]\* \*41.\*** For the purpose of aiding and cooperating in the  
 2 planning, undertaking, acquisition, construction or operation of any  
 3 facility of a county transportation authority, any county or munici-  
 4 pality within the district may\*, *in the manner provided by law\**:  
 5 a. acquire real property in its name for any project or for the  
 6 widening of existing roads, streets, parkways, avenues or highways

7 or for new roads, streets, parkways, avenues, or highways to the  
 8 facility, or partly for those purposes and partly for other municipi-  
 9 pal purposes, by purchase or condemnation in the manner provided  
 10 by law for the acquisition of real property by the municipality;  
 11 b. furnish, dedicate, close, vacate, pave, install, grade, regrade,  
 12 plan or replan streets, roads, roadways, alleys, sidewalks or other  
 13 places which it is otherwise empowered to undertake; and, c. do  
 14 any and all things necessary or convenient to aid and cooperate  
 15 in the planning, undertaking, construction or operation of the fa-  
 16 cility, and cause services to be furnished to the authority of the  
 17 character which the county or municipality is otherwise empowered  
 18 to furnish, and to incur the entire expense thereof.

1 \***[38.]**\* \*42.\* Any county or municipality, by ordinance or reso-  
 2 lution of its governing body, as appropriate, or any other person  
 3 may, without any referendum or public or competitive bidding to  
 4 sell, lease, lend, grant or convey to a county transportation author-  
 5 ity or to permit a county transportation authority to use, maintain  
 6 or operate as part of the transportation system any real or personal  
 7 property owned by it which may be necessary or useful and con-  
 8 venient for the purposes of the authority and accepted by the  
 9 authority. The sale, lease, loan, grant, conveyance or permit may  
 10 be made with or without consideration and for a specified or an  
 11 unlimited period of time and under any agreement and on any  
 12 terms and conditions which may be approved by the county or  
 13 municipality or other person and which may be agreed to by the  
 14 authority in conformity with its contracts with the holders of any  
 15 bonds. Subject to any these contracts with holders of bonds, the  
 16 county transportation authority may enter into and perform any  
 17 and all agreements with respect to property so accepted by it,  
 18 including agreements for the assumption of principal or interest,  
 19 or both, of indebtedness of the county or municipality or other  
 20 person or of any mortgage or lien existing with respect to the  
 21 property or for the operation and maintenance of the property  
 22 as part of the transportation system.

1 \***[39.]**\* \*43.\* Any county or municipality within the district may  
 2 from time to time, pursuant to ordinance or resolution, as appro-  
 3 priate, of its governing body, and for such period and upon such  
 4 terms, with or without consideration, as may be provided in the  
 5 ordinance or resolution, as the case may be, and accepted by the  
 6 authority, \***[to]**\* appropriate money for all or any part of the  
 7 cost of acquisition or construction of the transportation system of  
 8 the authority.

1    \***[40.]**\* \*44.\* Any county transportation authority may enter  
2 into a contract or contracts provided for or relating to the use or  
3 lease of all or any part of the transportation system of the authority  
4 and the cost and expense of the use. The contract may provide for  
5 the payment to the authority annually or otherwise of a sum or sums  
6 of money for that use, computed at fixed amounts or by a formula  
7 or in any other manner. The contract may be made with or without  
8 consideration and for a specified or an unlimited time and on any  
9 terms and conditions which may be approved and agreed to by the  
10 authority in conformity with its contracts with the holders of any  
11 bonds. Subject to these contracts with the holders of bonds, the  
12 authority is authorized to do any and all acts or things necessary,  
13 convenient or desirable to carry out and perform every such  
14 contract.

1    \***[41.]**\* \*45.\* Except as otherwise provided in this act with re-  
2 spect to the right of the county transportation authority to grant  
3 by franchise, lease or otherwise the use of any facility owned or  
4 controlled by it, the authority shall not mortgage, pledge, encumber  
5 or otherwise dispose of any part of the transportation system,  
6 except that the authority may dispose of such part or parts thereof  
7 as may be no longer necessary for the purposes of the authority.  
8 The provisions of this section shall be deemed to constitute a part  
9 of the contract with the holder of any bonds.

1    \***[42.]**\* \*46.\* All property of a county transportation authority  
2 shall be exempt from levy and sale by virtue of an execution and no  
3 execution or other judicial process shall issue against the same  
4 nor shall any judgment against a county transportation authority  
5 be a charge or lien upon its property, but this section shall not  
6 apply to nor limit the rights of the holder of any bonds to pursue  
7 any remedy for the enforcement of any pledge or lien given by a  
8 county transportation authority on its revenues or other moneys.

1    \***[43.]**\* \*47.\* Every county transportation authority and any  
2 municipality in which any property of the authority is located are  
3 authorized to enter into agreements with respect to the payment by  
4 the authority to the municipality of annual sums of money in lieu of  
5 taxes on the property in an amount not less than the amount of  
6 taxes last paid on the property prior to its acquisition by the  
7 authority, or such other agreed amount computed on the basis  
8 of the assessed value of real property without improvements, and  
9 each county transportation authority is authorized to make such  
10 payments and each such municipality is empowered to accept such  
11 payments and to apply them in the manner in which taxes may be  
12 applied in such municipality.

1     \***[44.]**\* \*48.\* Notwithstanding the provisions of any other law,  
2 the State and all public officers, municipalities, counties, political  
3 subdivisions and public bodies, and agencies thereof, all banks,  
4 bankers, trust companies, savings banks and institutions, building  
5 and loan associations, savings and loan associations, investment  
6 companies, and other persons carrying on a banking business, all  
7 insurance companies, insurance associations and other persons car-  
8 rying on an insurance business, and all executors, administrators,  
9 guardians, trustees and other fiduciaries, may legally invest any  
10 sinking funds, moneys or other funds belonging to them or within  
11 their control in any bonds issued pursuant to this act, and the bonds  
12 shall be authorized security for any and all public deposits.

1     \***[45.]**\* \*49.\* The transportation system and all other properties  
2 of a county transportation authority are declared to be public prop-  
3 erty of a political subdivision of the State and devoted to an essen-  
4 tial public and governmental function and purpose and shall be  
5 exempt from all taxes and special assessments of the State or any  
6 subdivision thereof. All bonds issued pursuant to this act are de-  
7 clared to be issued by a political subdivision of this State and for an  
8 essential public and governmental purpose and to be a public in-  
9 strumentality and the bonds, and the interest thereon and the  
10 income therefrom, and all facility charges, funds, revenues and  
11 other moneys pledged or available to pay or secure the payment  
12 of the bonds, or interest thereon, shall at all times be exempt from  
13 taxation, except for transfer, inheritance and estate taxes and  
14 taxes on transfers by or in contemplation of death.

1     \***[46.]**\* \*50.\* The State of New Jersey does hereby pledge to and  
2 covenant and agree with the holders of any bonds issued by a county  
3 transportation authority pursuant to this act that the State will not  
4 limit or alter the rights hereby vested in the county transportation  
5 authority to acquire, construct, maintain, reconstruct and operate  
6 its transportation system, or to fix, establish, charge and collect  
7 its facility or service charges and to fulfill the terms of any agree-  
8 ment made with the holders of the bonds or other obligations, so as  
9 to in any way impair the rights or remedies of the holders, and  
9A will not modify in any way the exemptions from taxation provided  
10 for in this act, until the bonds, together with interest thereon,  
11 with interest on any unpaid installments of interest, and all costs  
12 and expenses in connection with any action or proceeding by or  
13 on behalf of the holders, are fully met and discharged.

1     \***[47.]**\* \*51.\* Each county transportation authority shall file a  
2 certified copy of each bond resolution adopted by it in the office of  
3 the Director of the Division of Local Government Services, together



4 with a certified summary of the dates, amounts, maturities and  
5 interest rates of all bonds to be issued pursuant thereto, prior to  
6 the issuance of the bonds. Upon the adoption of each annual  
7 budget or amendment thereof by a county transportation authority,  
8 a certified copy thereof shall be filed forthwith with the director.

1 \***[48.]**\* \*52.\* If the provisions of any article, section, subsection,  
2 paragraph, subdivision or clause of this act shall be judged invalid  
3 by a court of competent jurisdiction, the order or judgment shall  
4 not affect or invalidate the remainder of any article, section, sub-  
5 section, paragraph, subdivision or clause of this act and, to this end,  
6 the provisions of each article, section, subsection, paragraph, sub-  
7 division or clause of this act are described to be severable.

1 \***[49.]**\* \*53.\* This act shall take effect immediately.

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1 47. Each county transportation authority shall file a certified  
 2 copy of each bond resolution adopted by it in the office of the  
 3 Director of the Division of Local Government Services, together  
 4 with a certified summary of the dates, amounts, maturities and  
 5 interest rates of all bonds to be issued pursuant thereto, prior to  
 6 the issuance of the bonds. Upon the adoption of each annual  
 7 budget or amendment thereof by a county transportation authority,  
 8 a certified copy thereof shall be filed forthwith with the director.

1 48. If the provisions of any article, section, subsection, paragraph,  
 2 subdivision or clause of this act shall be judged invalid by a court  
 3 of competent jurisdiction, the order or judgment shall not affect  
 4 or invalidate the remainder of any article, section, subsection,  
 5 paragraph, subdivision or clause of this act and, to this end, the  
 6 provisions of each article, section, subsection, paragraph, sub-  
 7 division or clause of this act are described to be severable.

1 49. This act shall take effect immediately.

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#### STATEMENT

The purpose of this bill is to encourage certain counties to include modern, integrated and adequate mass transit systems in their development and redevelopment efforts through the establishment of county transportation authorities. A county transportation authority would be empowered to undertake the improvement, establishment and development of parking facilities and transportation facilities through the planning, design, acquisition, construction, improvement, maintenance and operation of structures designed to provide rail passenger service, motorbus regular route service, paratransit service, motorbus charter service, marine or air passenger service.

A county transportation authority would also be empowered to acquire by purchase, condemnation, lease or otherwise any public or private entity providing transportation services within its district, and to operate the acquired facilities. The bill provides for procedural requirements with respect to the exercise of condemnation powers over private entities and for the protection of employee rights, privileges and benefits previously enjoyed with such private entity. The condemnation procedures and employee protection provisions are similar to those set forth in P. L. 1979, c. 150 (C. 27:25-1 et seq.) for the New Jersey Transit Corporation.

An authority would be empowered to set and collect fares and determine levels of service for services provided by the authority,

51107 (1980)

subject to public hearing requirements. The bill provides that the county transportation authority shall be exempt from public utility regulation and control of the Department of Transportation except with respect to maintenance, specification and safety of authority vehicles.

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SENATE COUNTY AND MUNICIPAL  
GOVERNMENT COMMITTEE

STATEMENT TO

**SENATE, No. 1107**

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: MAY 19, 1980

Senate Bill No. 1107 addresses the intense pressures and demands placed upon the citizens of the Atlantic County region, as a result of the introduction of legalized gaming in Atlantic City, for the development and provision of integrated and adequate transportation systems. The bill authorizes the creation of an appropriate regionally-oriented instrumentality in the county which will permit the most direct and immediate attention to the particular transportation needs of that region consistent with needs, and procedures and structures established for efficient and convenient Statewide transportation systems.

The county transportation authority would be empowered to undertake the improvement, establishment and development of parking facilities and transportation facilities through the planning, design, acquisition, construction, improvement, maintenance and operation of structures designed to provide rail passenger service, motorbus regular route service, paratransit service, motorbus charter service, marine and air passenger service. The authority would proceed in these activities pursuant to a transportation system master plan prepared by the authority and approved by an independent transportation planning agency designated by the Commissioner of Transportation. In implementing that master plan, the authority would be authorized to acquire by purchase, condemnation, lease or otherwise any public or private entity providing transportation services within its district, and to operate the acquired facilities. The bill provides for procedural requirements with respect to the exercise of condemnation powers over private entities and for the protection of employee rights, privileges and benefits previously enjoyed with such private entity. The condemnation procedures and employee protection provisions are similar to those set forth in P. L. 1979, c. 150 (C. 27:25-1 et seq.) for the New Jersey Transit Corporation.

In order to provide for an integrated transportation system for the region, the bill provides that a county adopting the act shall not utilize any other law for the provision of public transportation services which can be provided under this act, nor create any county parking authority.

The bill similarly prohibits municipalities within the county from doing so. The bill requires that any parking authority previously established by the county or by any municipality within the county be dissolved and that the property, assets and indebtedness of such an authority be transferred to the county transportation authority.

The county transportation authority would consist of 5 public members, appointed by the county governing body, one member who shall be a county officer appointed by the county governing body, and the Commissioner of Transportation or his designee. One of the public members shall be designated as chairman upon appointment. No more than 3 of the 6 members appointed by the county governing body could be of the same political party. Members are prohibited from having or acquiring any interest in the transportation system, in property included or planned to be included in the transportation system, or in property adjacent to the transportation system which would directly benefit from that location, or in any contract for materials or services to the authority. The bill specifically prohibits any person who is an officer, director or employee of a holder of or applicant for a casino license from being a member or officer of the authority.

The bill contains several provisions designed to coordinate transportation plans of the authority with procedures and structures established to meet Statewide transportation needs, including:

1. A requirement that the annual fiscal report of the authority be submitted to the Commissioner of Transportation prior to the implementation of plans set forth in the report. The report would be deemed approved if not disapproved in 60 days. The timing of the report is designed to coincide with the preparation and submission of the annual plans of the New Jersey Transit Corporation to the Legislature in order to permit effective coordination of the activities of the two instrumentalities;

2. A requirement that authority applications for Federal funding be approved by the Commissioner of Transportation; and,

3. A requirement that authority contracts for the provision of public transportation services, except for marine and air passenger services, outside the district be consented to by the New Jersey Transit Corporation and the Commissioner of Transportation.

The bill requires that authority bond resolutions be submitted to the Local Finance Board for its review with respect to the accuracy of the cost determination, the method of funding, the reasonability and feasibility of the terms and provisions for financing, the financial burden placed upon residents of the district, and the ability of the authority to meet its obligations. A bond resolution would be deemed approved if not disapproved within 90 days.

The chief executive officer of the county is accorded 10 days veto power over the minutes of authority meetings. The veto power is limited not to affect bond covenants or labor agreements.

The authority would be empowered to set and collect fares and determine levels of service for services provided by the authority, subject to public hearing requirements. The bill provides that the county transportation authority shall be exempt from public utility regulation and control of the Department of Transportation except with respect to maintenance, specification and safety of authority vehicles.

The major committee amendments, submitted by the sponsor, provide for public contract procedures and requirements for the authority based upon those under which the New Jersey Transit Corporation operates. These procedures and requirements permit the authority the greatest flexibility compatible with the principle of open public bidding on contracts with respect to the preparation of specifications and the awarding of contracts for a general transit system. Specifically, the provisions permit the authority to award a contract to the responsible bidder whose bid will be most advantageous to the district, price and other factors considered.

The committee amendments also clarify the applicability of the act to counties in which are located municipalities in which casino gaming is authorized, set forth in the Legislative findings and declarations section the exceptional nature of the transportation problems experienced in the Atlantic county region because of the developments associated with casino gaming, and provide for authority membership appropriate for a regionally-oriented instrumentality.

Additionally, the amendments provide that any cash surplus accumulated by a parking authority, not used in or necessary to the operations of the properties and projects of the parking authority, shall be transferred to the local unit which created the parking authority. All other property, assets and indebtedness of that parking authority are to be transferred to the county transportation authority.

The amendments also require the county transportation authority to abide by an affirmative action policy and to include affirmative action requirements in all contracts awarded by the authority.

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FOR IMMEDIATE RELEASE

JUNE 23, 1980

FOR FURTHER INFORMATION

PATRICK SWEENEY

Governor Brendan Byrne today signed S-1107, sponsored by Senator Steven Perskie (D-Atlantic), in a public ceremony in the Governor's Office.

The bill, designated "County Transportation Authority Act," provides for the establishment of the Atlantic County Transportation Authority.

"This bill will enable the county to respond to the exceptional situation which has been created as a result of the development of legalized casino gambling in Atlantic City," according to Governor Byrne.

The purpose of the Authority is to undertake the improvement, establishment, and development of parking and transportation facilities within Atlantic County. The Authority is to prepare and adopt a transportation master plan, including transportation services and parking facilities, which will be submitted to an independent transportation planning agency, designated by the Commissioner of Transportation.

The Authority is empowered to acquire by purchase, condemnation or through the transfer of the assets of pre-existing municipal parking authorities within the county, transportation facilities or services necessary to implement its master plan.

However, the Authority is proscribed from submitting applications for federal funds, unless the project has been approved by the Commissioner of Transportation.

The Authority is empowered to issue bonds to defray costs. Prior to adoption by the Authority, a proposed bond resolution must be approved by the Loan Finance Board.

The Authority is to be governed by a seven-member board, five of whom must be residents of Atlantic County, to be appointed by the governing body of the County. The sixth member must be a representative of County Government, appointed by the governing body of the County. And the seventh member is to be the Commissioner of Transportation, or his designee.

The Chairman of the Authority is to be designated by the county governing body from among the five public members. In addition, the governing body of any municipality may send a non-voting representative to Authority meetings.

The bill also permits the governing body of the county, which has created an authority pursuant to this act, to dissolve that authority by ordinance or resolution.

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ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 1220**

**STATE OF NEW JERSEY**

INTRODUCED JUNE 9, 1980

By Assemblyman GORMLEY

AN ACT authorizing the planning, development, construction, acquisition, financing and operation of transportation systems by or on behalf of counties in which are located municipalities in which casino gaming is authorized, providing for the establishment of county transportation authorities for the performance of those functions, the issuance of bonds and other obligations therefor, and service charges to meet the expenses thereof, and supplementing Title 40 of the Revised Statutes.

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

1 1. This act shall be known and may be cited as the "County  
2 Transportation Authorities Act."

1 2. The Legislature finds and declares that, as a result of the  
2 "Casino Control Act" (P. L. 1977, c. 110; C. 5:12-1 et seq.) and the  
3 introduction and development of legalized casino gaming in Atlantic  
4 City, intense demands have been placed upon the citizens of the  
5 Atlantic county region for the development and provision of in-  
6 tegrated and adequate transportation systems. The Legislature  
7 finds that the orderly planning, development, construction, acquisi-  
8 tion, financing and operation of modern transportation systems on  
9 a countywide basis in that region will benefit residents of, and  
10 visitors to, this State, promote the economic vitality of the region  
11 and the State, avoid the evils of haphazard growth and land-use  
12 development, and advance the efficient use of energy and other  
13 resources. The Legislature further finds that the present and future  
14 need for regional planning and development of transportation  
15 systems in Atlantic county is a wholly exceptional situation, no  
16 parallel to which exists, or is likely to exist in the near future, any-  
17 where in the State.

18 The Legislature, therefore, declares that it is in the public in-  
19 terest of the citizens of this State to foster and promote by all  
20 reasonable means the provision of modern transportation and park-  
21 ing facilities in the Atlantic county region, and that the best means  
22 to accomplish this purpose is to authorize the creation of an appro-

23 puate regionally-oriented instrumentality in the county which will  
24 permit the most direct and immediate attention to the particular  
25 transportation needs of the Atlantic county region consistent with  
26 the need for, and procedures and structures established with re-  
27 spect to, efficient and convenient Statewide transportation systems.

1 3. As used in this act:

2 a. "Authority" means a county transportation authority created  
3 pursuant to section 4 of this act;

4 b. "Bonds" means any bonds, notes or other evidence of financial  
5 indebtedness issued by an authority pursuant to this act;

6 c. "Cost" means, in addition to the usual connotations thereof,  
7 the cost of acquisition or construction of all or any property, rights,  
8 easements and franchises deemed by an authority to be necessary  
9 or useful and convenient therefor, including interest or discount on  
10 bonds to finance such cost, engineering and inspection costs and  
11 legal expenses, the cost of financial, professional and other advice,  
12 and the cost of issuance of the bonds;

13 d. "Construction" means the planning, designing, construction,  
14 reconstruction, replacement, extension, enlargement, improvement  
15 and betterment of parking and transportation facilities, and in-  
16 cludes the demolition, clearance and removal of buildings or struc-  
17 tures on land acquired, held, leased or used for that facility;

18 e. "District" means the area within the boundaries of the county  
19 which created the authority;

20 f. "Parking facility" means any area or place, garage, building,  
21 or other improvement or structure for the parking or storage of  
22 motor or other vehicles, including, without limitation: all real and  
23 personal property, driveways, roads and other structures or areas  
24 necessary or useful or convenient for access to a facility from a  
25 public street, road or highway, or from any transportation facility;  
26 meters, mechanical equipment necessary or useful, or convenient for  
27 or in connection with that parking or storage; and any structures,  
28 buildings, space or accommodations, whether constructed by an  
29 authority or by the lessee, to be leased for any business, commercial  
30 or other use, including the sale of gasoline or accessories for, or the  
31 repair or other servicing of automobiles and other motor vehicles,  
32 if, in the opinion of an authority, the inclusion, provision and leas-  
33 ing is necessary to assist in defraying the expenses of the authority  
34 and make possible the operation of the parking facility at reason-  
35 able rates, but the authority shall not itself engage in the sale of  
36 gasoline or accessories for, or in the repair or other serving of,  
37 automobiles or other motor vehicles except in emergency, nor in  
38 the sale of any service or commodity of trade or commerce;

39 g. "Transportation facility" means any area, place, building,  
40 or other structure designed to provide rail passenger service,  
41 motorbus regular route service, paratransit service, motorbus  
42 charter service, air passenger service, or marine passenger service,  
43 or any two or more of these services, to the public, and includes  
44 passenger stations, shelters and terminals, air passenger terminals,  
45 hangars, heliports, docking and launching facilities, parking  
46 facilities, ramps, track connections, signal systems, power systems,  
47 information and communication systems, roadbeds, transit lanes  
48 or rights of way, equipment storage and servicing facilities,  
49 bridges, grade crossings, rail cars, locomotives, motorbus and other  
50 motor vehicles, boats and other marine vehicles, aircraft, mainte-  
51 nance and garage facilities, revenue handling equipment and any  
52 other equipment, facility or property useful for or related to the  
53 provision of these services;

54 h. "Motorbus regular route service" means the operation of  
55 any motorbus or motorbuses on streets, public highways or other  
56 facilities, over a fixed route and between fixed termini on a regular  
57 schedule for the purpose of carrying passengers, for hire or other-  
58 wise, within the district or between points within the district and  
59 points without the district;

60 i. "Paratransit service" means any service, other than motorbus  
61 regular route service and charter service, including but not limited  
62 to, dial-a-ride, nonregular route, jitney or community minibus, and  
63 shared-ride services such as vanpools, limousines or taxicabs which  
64 are regularly available to the public. Paratransit services shall  
65 not include limousine or taxicab service reserved for the private  
66 and exclusive use of individual passengers;

67 j. "Motorbus charter service" means subscription, tour and  
68 other special motorbus services;

69 k. "Rail passenger service" means the operation of railroad,  
70 subway, or light rail systems including fixed and automated guide-  
71 way systems for the purpose of carrying passengers in the district  
72 or between points within the district and points without the district;

73 l. "Air passenger service" means any service which involves  
74 the carriage of persons for compensation or hire by aircraft;

75 m. "Marine passenger service" means any service which in-  
76 volves the carriage of persons for compensation or hire by water-  
77 borne craft;

78 n. "Transportation system" means all parking and transporta-  
79 tion facilities acquired, constructed, leased or operated by a county  
80 transportation authority for the purpose of providing to the public

81 motorbus regular route service, paratransit service, motorbus  
 82 charter service, rail passenger service, air passenger service,  
 83 maine passenger service and any other service necessary for the  
 84 fulfillment of the purposes of this act; and,

85 o. "Public transportation or public transportation service"  
 86 means motorbus regular route service, paratransit service, motor-  
 87 bus charter service, rail passenger service, air passenger service,  
 88 and marine passenger service.

1 4. a. The governing body of any county in which is located a  
 2 municipality in which casino gaming is authorized may by ordi-  
 3 nance or resolution, as appropriate, create a public body corporate  
 4 and politic with perpetual succession under the name and style of  
 5 "the ..... transportation authority" with the name  
 6 of such county inserted. Every authority is constituted an instru-  
 7 mentality of the county exercising public and essential govern-  
 8 mental functions.

9 b. The authority shall be governed by a board which shall con-  
 10 sist of seven members. Five members shall be residents of the  
 11 county, and shall be appointed by the governing body of the county.  
 12 One member shall be a representative of the county government,  
 13 appointed by the governing body of the county from among the  
 14 freeholders, department heads and division directors of the county.  
 15 One member shall be the Commissioner of the Department of  
 16 Transportation, ex officio. Of the six members appointed by the  
 17 governing body of the county, no more than three shall be members  
 18 of the same political party.

19 c. Each public member of the board shall serve for a 5 year term  
 20 to commence on July 1 of the year of appointment, except that, of  
 21 those first appointed, one shall serve for a term of 1 year, one shall  
 22 serve for a term of 2 years, one shall serve for a term of 3 years,  
 23 one shall serve for a term of 4 years, and one shall serve for a term  
 24 of 5 years.

25 The representative of the county government shall be annually  
 26 appointed to serve for a 1 year term to commence on July 1 of the  
 27 year of appointment.

28 d. The chairman of the board shall be designated upon appoint-  
 29 ment by the county governing body from among the public members  
 30 appointed thereby. The first chairman of the board shall be that  
 31 member appointed by the county governing body for an initial 5  
 32 year term.

33 e. The Commissioner of Transportation may designate a repre-  
 34 sentative from among the employees of his department to represent  
 35 him at meetings of the board and such designee may lawfully vote

36 and otherwise act on behalf of the commissioner. The designation  
37 shall be made annually in writing delivered to the board and shall  
38 continue in effect until revoked or amended by written notice  
39 delivered to the board.

40 f. Except for the commissioner, each member of the board may  
41 be removed from office for cause by the respective appointing  
42 authority. A vacancy in the membership of the board, occurring  
43 other than by expiration of term, shall be filled in the same manner  
44 as the original appointment for the unexpired term. If the member  
45 representing the county government shall, for any reason, vacate  
46 his position with the county government his membership on the  
47 board shall immediately terminate, and the position shall be vacant.  
48 If any public member shall become a holder of, or candidate for,  
49 any elective office, or accept appointment to fill any elective office,  
50 his membership on the board shall immediately terminate, and the  
51 position shall be vacant.

52 g. A copy of the ordinance or resolution for the creation of an  
53 authority adopted pursuant to this section, duly certified by the  
54 appropriate officer of the county, shall be filed in the office of the  
55 Secretary of State and the office of the Director of the Division  
56 of Local Government Services. Upon proof of the filing, the au-  
57 thority shall, in any suit, action or proceeding involving the validity  
58 or enforcement of, or relating to, any contract or obligation or  
59 act of the authority, be conclusively deemed to have been lawfully  
60 and properly created and authorized to transact business and ex-  
61 ercise its powers under this act. A copy of any certified ordinance  
62 or resolution, duly certified by or on behalf of the Secretary of  
63 State, shall be admissible in evidence in any suit, action or  
63A proceeding.

64 h. A copy of each order or resolution appointing any member  
65 of an authority pursuant to this section, duly certified by the  
66 appropriate officer, shall be filed in the office of the Secretary of  
67 State and the office of the Director of the Division of Local Gov-  
68 ernment Services. A copy of the certified order or resolution, duly  
69 certified by or on behalf of the Secretary of State, shall be admis-  
70 sible in evidence of the due and proper appointment of the member  
71 or members named therein.

1 5. The governing body of any municipality in which any trans-  
2 portation facility of the authority is located may annually appoint  
3 a resident of the municipality as its representative to the board.  
4 The representative shall not be a member or an officer of the au-  
5 thority, but shall participate in all meetings, activities and pro-  
6 ceedings of the board.

1 6. a. No county which shall create an authority pursuant to  
2 this act shall thereafter create any other county transportation  
3 authority, or utilize any other law for the provision of public trans-  
4 portation services which can be provided pursuant to this act, or  
5 create or join in the creation of any county parking authority pur-  
6 suant to the "Parking Authority Law," P. L. 1948, c. 198  
7 (C. 40:11A-1 et seq.) or P. L. 1972, c. 83 (C. 40:34A-1 et seq.), or  
8 any other law. No municipality or any other governmental entity  
9 within a county which shall create an authority pursuant to this  
10 act shall thereafter utilize any other law for the provision of public  
11 transportation services which can be provided pursuant to this act,  
12 nor create or join in the creation of any municipal parking authority  
13 pursuant to the "Parking Authority Law" or any other law.

14 b. If a county, or a municipality within a county which creates  
15 a county transportation authority pursuant to this act, shall have  
16 previously created a parking authority pursuant to the "Parking  
17 Authority Law" P. L. 1948, c. 198 (C. 40:11A-1 et seq.), P. L. 1972,  
18 c. 83 (C. 40:34A-1 et seq.), or any other law, that county or munici-  
19 pality shall provide, by ordinance or resolution, as appropriate,  
20 for the dissolution of the parking authority upon the effective date  
21 of the creation of the county transportation authority and for the  
22 transfer of the indebtedness and other obligations, and, except as  
23 herein provided, the property and assets of the parking authority  
24 to the county transportation authority. Any cash surplus accumu-  
25 lated by a municipal parking authority, not used in or necessary  
26 to the operations of the properties and projects of the parking au-  
27 thority, shall be transferred to the governing body of the munici-  
28 pality which established the parking authority.

29 The terms of office of any members appointed to the parking  
30 authority shall terminate immediately upon such effective date.  
31 The officer having custody of the funds of the parking authority  
32 shall deliver all funds in his possession into the custody of the  
33 municipal or county finance officer, who shall deliver all such funds,  
34 except any portion representing an accumulated cash surplus not  
35 used in or necessary to the operations and projects of the parking  
36 authority, into the custody of the proper fiscal officer of the county  
37 transportation authority. The municipal finance officer shall cause  
38 that portion of any funds received from the parking authority  
39 which represents an accumulated cash surplus to be deposited in  
40 the general fund of the municipality to be used for local purposes.  
41 The county transportation authority shall have the power to com-  
42 plete any work, service or improvement, and to confirm and col-

43 lect previously levied assessments, rates, and other charges, of the  
44 parking authority, which are incomplete, unconfirmed or uncollected  
45 on the effective date.

1 7. The county transportation authority, on or before July 10  
2 annually, shall organize and elect from among its members a vice-  
3 chairman, who shall hold office until his successor has been ap-  
4 pointed and qualified. The authority may also appoint a secretary,  
5 an executive director, and a fiscal officer, who need not be members,  
6 and determine their qualifications, terms of office, duties and com-  
7 pensation. The authority may also employ, without regard to  
8 Title 11 of the Revised Statutes, engineers, architects, attorneys,  
9 accountants, construction and financial experts, superintendents,  
10 managers and such other agents and employees as it may require,  
11 and determine their duties and compensation.

1 8. a. The powers of the authority shall be vested in the members  
2 thereof in office from time to time, and a majority of its members  
3 shall constitute a quorum at any meeting thereof. Action may be  
4 taken and motions and resolutions adopted by the authority at any  
5 meeting by a vote of a majority of the members, unless the bylaws  
6 of the authority shall require a larger number. No vacancy in the  
7 membership of the board shall impair the right of a quorum to  
8 exercise all the rights and perform all the duties of the board.

9 b. The minutes of every meeting of the authority shall be  
10 promptly delivered by and under the certification of the secretary  
11 to the chief executive officer of the county. No action taken at the  
12 meeting by the board shall be effective until approved by the chief  
13 executive officer or until 10 days after the copy of the minutes shall  
14 have been delivered. If in the 10-day period, the chief executive  
15 officer returns the copy of the minutes with a veto of any action  
16 taken by the board or any member thereof at the meeting, that  
17 action shall be of no effect. The chief executive officer may ap-  
18 prove all or any part of the action taken at that meeting prior to  
19 the expiration of the 10-day period. The veto powers accorded  
20 under this subsection shall not affect in any way the covenants  
21 contained in the bond indentures of the authority, nor any collective  
22 bargaining agreement or binding arbitration decision reached  
23 pursuant to this act.

1 9. The authority may reimburse its members for necessary ex-  
2 penses incurred in the discharge of their duties. The ordinance or  
3 resolution for the creation of the authority may authorize payment  
4 or compensation for service to members of the authority, other  
5 than the Commissioner of Transportation or the representative of  
6 the county government, within such annual or other limitations as

7 may be stated in the ordinance or resolution. Any such provision  
8 or limitation stated in the ordinance or resolution may be amended,  
9 supplemented, repealed or added by subsequent ordinance or  
10 resolution, as appropriate, but no reduction of the payment for  
11 compensation shall be effective during the remaining term of any  
12 member of the authority then in office, except upon that member's  
13 written consent. No member shall receive any payment or com-  
14 pensation of any kind from the authority except as authorized by  
15 this section.

1 10. No member, officer or employee of an authority shall have  
2 or acquire any interest, direct or indirect, in the transportation  
3 system or in any property included or planned to be included in the  
4 transportation system, or in any property adjacent to the trans-  
5 portation system which would directly benefit from that location,  
6 or in any contract or proposed contract for materials or services  
7 to be furnished to or used by the authority. No person who is an  
8 officer, director or employee of a holder of, or an applicant for, a  
9 casino license issued or to be issued under the "Casino Control  
10 Act" (P. L. 1977, c. 110; C. 5:12-1 et seq.) shall be a member or  
11 an officer of an authority created pursuant to this act.

1 11. The board meetings shall be subject to the provisions of the  
2 "Open Public Meetings Act," P. L. 1975, c. 231 (C. 10:4-6 et seq.).

1 12. The governing body of any county which has created an  
2 authority pursuant to this act may, by ordinance or resolution, as  
3 appropriate, dissolve that authority on the condition that: a. either  
4 the members of the authority have not been appointed or the  
5 authority by resolution has consented to its dissolution; and, b. the  
6 authority has no debts or obligations outstanding. A copy of the  
7 ordinance or resolution, as the case may be, for the dissolution of  
8 the authority pursuant to this section duly certified by the appro-  
9 priate officer of the county shall be filed in the office of the  
10 Secretary of State, and the Director of Local Government Services.  
11 Upon proof of the filing, and upon proof that either the authority  
12 had no debts or obligations outstanding at the time of the adoption  
13 of the ordinance or resolution, or all creditors or other obligees of  
14 the authority have consented to the ordinance, the authority shall  
15 be conclusively deemed to have been lawfully and properly dis-  
16 solved and the property of the authority shall be vested in the  
17 county adopting the ordinance or resolution, in the manner pre-  
18 scribed therein. A copy of the ordinance or resolution, duly certi-  
19 fied by or on behalf of the Secretary of State, shall be admissible  
20 in evidence in any action, or proceeding, and shall be conclusive  
21 evidence of proper filing.



1 13. The purpose of a county transportation authority shall be  
2 the improvement, establishment and development of parking and  
3 transportation facilities by or through the planning, design, acqui-  
4 sition, construction, improvement, maintenance or operation of any  
5 and all projects and facilities for the improvement and develop-  
6 ment of a modern, efficient and integrated transportation system,  
7 or directly related thereto, either directly or by agreement with  
8 any county, municipality or person, or in any other manner, which  
9 in the judgment of the authority will provide an effective and  
10 satisfactory method for promoting its purposes.

1 14. The authority shall prepare, or cause to be prepared, and,  
2 after public hearing, adopt a master plan for the development  
3 within the district of a transportation system. The authority may  
4 from time to time, after public hearing and pursuant to the proce-  
5 dures provided in this act, amend the master plan. The master plan  
6 shall include a report presenting the objectives, assumptions,  
7 standards and principles embodied in the various coordinated parts  
8 of the master plan. In preparing the master plan or any amend-  
9 ment thereto, the authority shall consult with the State Department  
10 of Transportation, the New Jersey Transit Corporation, and any  
11 other State or any Federal agency having an interest in the  
12 development of transportation in the district.

13 In preparing the master plan or any amendment thereto, the  
14 authority shall consider the existing and proposed patterns of  
15 land use development of municipalities within the district. In  
16 addition, the master plan shall contain the following elements:

17 a. An identification of existing and projected needs of the dis-  
18 trict for efficient, economical and integrated public transportation  
19 services, and proposed programs to provide and promote an  
20 efficient, economical and integrated transportation system to meet  
21 those needs;

22 b. An identification of the services, facilities and other elements  
23 to be acquired, constructed, leased, operated and provided within  
24 the transportation system, and a program for the acquisition, con-  
25 struction, lease, operation and provision of those services, facilities  
26 and other elements, which program may be timed by various  
27 stages for the development of the transportation system;

28 c. Plans for the preservation, improvement and expansion of the  
29 transportation system, with special emphasis on the coordination:  
30 (1) of transportation and parking facilities to be acquired, con-  
31 structed or leased; (2) of transportation services to be operated  
32 or provided; and, (3) of the use of rail rights of way, highways and  
33 public streets for transportation services;

34 d. Plans for the coordination of the activities of the authority  
35 with other public agencies and authorities; and,

36 e. An identification of existing parking and transportation facili-  
37 ties within the district to be acquired under this act.

38 The authority shall submit the master plan and any amendment  
39 thereto to such independent transportation planning agency as  
40 may be designated by the Commissioner of Transportation, or as  
41 shall be established by law, prior to the adoption thereof. The  
42 agency may approve, conditionally approve, or disapprove the  
43 master plan or amendment. If the agency shall approve the  
44 master plan or amendment, the authority may adopt the master  
45 plan or amendment as approved. If the agency shall disapprove  
46 the master plan or amendment, it shall return the master plan or  
47 amendment to the authority with its objections thereto. The  
48 authority shall resubmit the master plan or amendment to the  
49 agency with changes designed to conform the master plan or  
50 amendment with the objections of the agency. The agency shall  
51 approve the resubmitted master plan or amendment if it conforms  
52 with the objections, and the authority upon that approval shall  
53 then adopt the master plan or amendment as approved. If the  
54 agency shall conditionally approve the master plan or amendment,  
55 it shall return the master plan or amendment to the authority with  
56 the specific changes it requires therein for approval. The authority  
57 shall then make those specific changes in the master plan or amend-  
58 ment, and shall adopt the master plan or amendment with the  
59 changes.

60 Upon adoption, the master plan and any amendment thereof shall  
61 be filed with the Governor, the State Department of Transporta-  
62 tion, the New Jersey Transit Corporation, the governing body of  
63 the county, the governing body of the municipality having the  
64 largest population within the county, and the governing body of  
65 each municipality in which authority transportation or parking  
66 facilities are located.

1 15. In addition to the powers and duties conferred upon it else-  
2 where in this act, the authority may do all acts necessary and  
3 reasonably incident to carrying out the objectives of this act, in-  
4 cluding, but not limited to, the following:

5 a. To adopt and have a common seal and to alter it at pleasure;

6 b. To sue and be sued;

7 c. To acquire, hold, use and dispose of its charges and other  
8 revenues and other moneys in its own name;

9 d. In its own name, but for the county, to acquire, rent, hold, use  
10 and dispose of other personal property for the purposes of the  
11 authority, and to acquire by purchase, gift, condemnation or other-

12 wise, or lease as lessee, real property and easements therein,  
13 necessary or useful and convenient for the purposes of the au-  
14 thority, whether subject to mortgages, deeds of trust or other liens,  
15 or otherwise, and to hold and to use the same, and to dispose of  
16 property so acquired no longer necessary for the purposes of the  
17 authority;

18 e. To grant by franchise, lease or otherwise, the use of any  
19 project, facilities or property owned and controlled by it to any  
20 person for such consideration and for such period or periods of  
21 time and upon such other terms and conditions as it may fix and  
22 agree upon, including, but not limited to, the condition that the  
23 user shall or may construct or provide any buildings or structures  
24 or improvements on the project, facilities or property, or portions  
25 thereof;

26 f. To provide for and secure the payment of any bonds and the  
27 rights of the holders thereof, and to purchase, hold and dispose  
28 of any bonds;

29 g. To determine the exact location, type and character of and all  
30 matters in connection with all or any part of the transportation  
31 system which it is authorized to own, construct, establish, effectuate,  
32 operate, or control and to enter on any lands, waters or premises  
33 for the purpose of making such surveys, diagrams, maps or plans  
34 or for the purpose of making such soundings or borings as it deems  
35 necessary or convenient;

36 h. To make and enforce bylaws or rules and regulations for the  
37 management and regulation of its business and affairs and for the  
38 use, maintenance and operation of the transportation system and  
39 any other of its properties, and to amend the same; it shall publish  
40 the same and file them in accordance with the "Administrative  
41 Procedure Act", P. L. 1968, c. 410 (C. 52:14B-1 et seq.) with the  
42 Director of the Office of Administrative Law;

43 i. To acquire, purchase, construct, lease, operate, maintain and  
44 undertake any parking or transportation facility and to make  
45 service charges for the use thereof;

46 j. To call to its assistance and avail itself of the service of any  
47 employees of any Federal, State, county or municipal department,  
48 authority or other agency as it may require and as may be available  
49 to it for its purposes;

50 k. To plan, design, construct, equip, operate, improve and main-  
51 tain, either directly or by contract with any public or private  
52 entity, public transportation services, parking and transportation  
53 facilities or any parts or functions thereof, and other transporta-  
54 tion projects, or any parts or functions thereof;

55 l. To apply for, accept and expend money from any Federal,  
56 State or county or municipal agency or instrumentality, and from  
57 any private source; comply with Federal and State statutes, rules  
58 and regulations; and qualify for and receive all forms of financial  
59 assistance available under Federal law to assure the continuance  
60 of, or for the support or improvement of public transportation, and  
61 as may be necessary for that purpose to enter into agreements,  
62 including Federally required labor protective agreements;

63 m. To restrict the rights of persons to enter upon or construct  
64 any works in or upon any property owned or leased by the au-  
65 thority, except under such terms as the authority may prescribe,  
66 perform or contract for the performance of all acts necessary for  
67 the management, maintenance and repair of real or personal prop-  
68 erty leased or otherwise used or occupied pursuant to this act;

69 n. To set and collect fares and determine levels of service for  
70 service provided by the authority either directly or by contract,  
71 including, but not limited to, such reduced fare programs as deemed  
72 appropriate by the authority. Revenues derived from this service  
73 may be collected by the authority and shall be available to the au-  
74 thority for use in furtherance of any of the purposes of this act;

75 o. To set and collect rentals, fees, charges or other payments  
76 from the lease, use, occupancy or disposition of properties owned  
77 or leased by the authority. Such revenues shall be available to the  
78 authority for use in furtherance of any of the purposes of this act;

79 p. To deposit authority revenues in interest bearing accounts  
80 or in the State of New Jersey Cash Management Fund established  
81 pursuant to section 1 of P. L. 1977, c. 28 (C. 52:18A-90.4);

82 q. To procure and enter into contracts for any type of insurance  
83 and indemnify against loss or damage to property from any cause,  
84 including loss of use and occupancy, against death or injury of any  
85 person, against employees' liability, against any act of any member,  
86 officer, employee or servant of the authority, whether part-time,  
87 full-time, compensated or noncompensated, in the performance of  
88 the duties of his office or employment, or any other insurable risk.  
89 In addition, the authority may carry its own liability insurance;

90 r. To promote the use of authority services, coordinate ticket  
91 sales and passenger information and sell, lease or otherwise con-  
92 tract for advertising in or on the equipment or facilities of the  
93 authority.

94 s. To adopt and maintain employee benefit programs for em-  
95 ployees of the authority including, but not limited to, pension,  
96 deferred compensation, medical, disability, and death benefits, and

97 which programs may utilize insurance contracts, trust funds, and  
98 any other appropriate means of providing the stipulated benefits,  
99 and may involve new plans or the continuation of plans previously  
100 established by entities acquired by the authority;

101 t. To own, vote, and exercise all other rights incidental to the  
102 ownership of shares of the capital stock of any incorporated entity  
103 acquired by the authority pursuant to the powers granted by this  
104 act;

105 u. To apply for and accept, from appropriate regulatory bodies,  
106 authority to operate public transportation services where  
107 necessary;

108 v. To delegate to subordinate officers of the authority such  
109 powers and duties as the authority shall deem necessary and proper  
110 to carry out the purposes of this act; and,

111 w. To enter into any contracts, execute any instruments, and do  
112 and perform any acts or things necessary, convenient or desirable  
113 for the purposes of the authority or to carry out any power  
114 expressly given in this act, subject to sections 16 and 17 of this act.

1 16. a. All purchases, contracts or agreements pursuant to this  
2 act shall be made or awarded directly by the authority, except as  
3 otherwise provided herein, only after public advertisement for bids  
4 therefor, in the manner provided in this act, notwithstanding the  
5 provisions to the contrary of the "Local Public Contracts Law,"  
6 P. L. 1971, c. 198 (C. 40A:11-1 et seq.).

7 b. Whenever advertising is required: (1) specifications and in-  
8 vitations for bids shall permit such full and free competition as is  
9 consistent with the procurement of supplies and services necessary  
10 to meet the requirements of the authority; (2) the advertisement  
11 for bids shall be in such newspaper or newspapers selected by the  
12 authority as will best give notice thereof to bidders and shall be  
13 sufficiently in advance of the purchase or contract to promote com-  
14 petitive bidding; (3) the advertisement shall designate the time  
15 and place when and where sealed proposals shall be received and  
16 publicly opened and read, the amount of the cash, certified check,  
17 cashiers check or bank check, if any, which shall accompany each  
18 bid, and such other terms as the authority may deem proper.

19 c. The authority may reject any or all bids not in accord with  
20 the advertisement of specifications, or may reject any or all bids  
21 if the price of the work materials is excessively above the estimate  
22 cost or when the authority shall determine that it is in the public  
23 interest to do so. The authority shall prepare a list of the bids,  
24 including any rejected and the cause therefor. The authority may

25 accept bids containing minor informalities. Awards shall be made  
26 by the authority with reasonable promptness by written notice to  
27 the responsible bidder whose bid, conforming to the invitation for  
28 bids, will be the most advantageous to the district, price and other  
29 factors considered.

30 d. A proposal bond equal to at least 50% of the bid executed by  
31 the contractor with such sureties as shall be approved by the au-  
32 thority in its favor, shall accompany each bid and shall be held as  
33 security for the faithful performance of the contractor in that, if  
34 awarded the contract, the bidder will deliver the contract within  
35 10 working days after the award, properly executed and secured  
36 by satisfactory bonds in accordance with the provisions of N. J. S.  
37 2A:44-143 through N. J. S. 2A:44-147 and specifications for the  
38 project. The authority may require in addition to the proposal  
39 bond such additional evidence of the ability of a contractor to per-  
40 form the work required by the contract as it may deem necessary  
41 or advisable. All proposal bonds which have been delivered with  
42 the bids, except those of the two lowest responsible bidders, shall  
43 be returned within 30 days after such bids are received.

44 e. If the bidder fails to provide a satisfactory proposed bond as  
45 provided in subsection d. of this section, his bid shall be rejected.

46 f. The authority shall determine the terms and conditions of the  
47 various types of agreements or contracts, including provisions for  
48 adequate security, the time and amount or percentage of each pay-  
49 ment thereon and the amount to be withheld pending completion  
50 of the contract, and it shall issue and publish rules and regulations  
51 concerning such terms and conditions, standard contract forms and  
52 such other rules and regulations concerning purchasing or pro-  
53 curement, not inconsistent with any applicable law, as it may deem  
54 advisable to promote competition and to protect the public interest.

55 g. The authority shall require that all persons proposing to sub-  
56 mit bids on improvements to capital facilities and equipment shall  
57 first be classified by the authority as to the character and amount  
58 of work on which they shall be qualified to submit bids. Bids shall  
59 be accepted only from persons qualified in accordance with such  
60 classification.

1 17. Any purchase, contract or agreement pursuant to subsection  
2 a. of section 16 may be made, negotiated or awarded by the au-  
3 thority without advertising under the following circumstances:

4 a. When the aggregate amount involved does not exceed  
5 \$7,500.00; or

6 b. In all other cases when the authority seeks to:

7 (1) Acquire public or private entities engaged in the provision  
8 of public transportation services, used public transportation equip-  
9 ment or existing transportation facilities or rights of way; or

10 (2) Acquire subject matter consisting of: services to be per-  
11 formed by the contractor personally which are of a technical and  
12 professional nature; the purchase of perishable foods or subsistence  
13 supplies; the lease of such office space, office machinery, specialized  
14 equipment, buildings or real property as may be required for the  
15 conduct of the authority's business; the acquisition of any real  
16 property by gift, grant, purchase or any other lawful manner in  
17 the name of and for the use of the authority for the purpose of the  
18 administration of the authority's business; or, supplies or services  
19 for which the bid prices after advertising therefor are not reason-  
20 able or have not been independently arrived at in open competition,  
21 but no negotiated purchase, contract or agreement may be entered  
22 into after the rejection of all bids received unless (a) notification  
23 of the intention to negotiate and reasonable opportunity to negoti-  
24 ate shall have been given by the authority to each responsible bid-  
25 der, (b) the negotiated price is lower than the lowest rejected bid  
26 price of a responsible bidder, and (c) such negotiated price is the  
27 lowest negotiated price offered by any responsible supplier;

28 (3) Make a purchase or award, or make a contract or agreement  
29 under any of the following circumstances: the purchase is to be  
30 made from, or the contract to be made with, the Federal or State  
31 government or any agency or political subdivision thereof; the  
32 public exigency requires the immediate delivery of the articles or  
33 the performance of the service; only one source of supply is avail-  
34 able; more favorable terms can be obtained from a primary source  
35 of supply; articles of wearing apparel are to be purchased which  
36 are styled or seasonal in character; commodities traded on a na-  
37 tional commodity exchange are to be purchased and fluctuations of  
38 the market require immediate action; or, the equipment to be pur-  
39 chased is of a technical nature and the procurement thereof with-  
40 out advertising is necessary in order to assure standardization of  
41 equipment and interchangeability of parts in the public interest; or,

42 (4) Contract pursuant to section 20 or section 44 of this act.

1 18. The authority may enter into contracts with any public or  
2 private entity for the provision of adequate public transportation  
3 and parking facilities; but with the exception of marine and air  
4 passenger service, the authority may not contract for public trans-  
5 portation services beyond the district without the written con-  
6 sent of the New Jersey Transit Corporation created under P. L.

7 1979, c. 150 (C. 27:25-1 et seq.) and the Commissioner of Trans-  
8 portation unless the services were provided or authorized to be  
9 provided by a public or private entity acquired by the authority  
10 and only to the extent that the acquired entity is providing or is  
11 authorized to provide the services.

1 19. The authority shall not submit any application for Federal  
2 funding for the operation and improvement of public transporta-  
3 tion and parking facilities under the Urban Mass Transportation  
4 Act of 1964, P. L. §§ 88-365 (49 U. S. C. §§ 1601 et seq.), or any  
5 successor or additional Federal law having substantially the same  
6 or similar purposes or functions, or any other Federal law provid-  
7 ing financial assistance for transportation systems, unless the proj-  
8 ect and the project application have been first approved by the  
9 Commissioner of Transportation.

1 20. a. Every authority may enter into contracts with any  
2 public or private entity to operate rail passenger service or por-  
3 tions or functions thereof. Where appropriate, payments by the  
4 authority for services contracted for under this section shall be  
5 determined in accordance with the Federal Regional Rail Reorga-  
6 nization Act of 1973 (45 U. S. C. §§ 701 et seq.), the Federal Rail  
7 Passenger Service Act of 1970 (45 U. S. C. §§ 501 et seq.), any other  
8 applicable Federal law, and any and all rules, regulations and  
9 standards, promulgated thereunder and decisions issued pursuant  
10 thereto. In all other cases, payments shall be by agreement upon  
11 such terms and conditions as the authority shall deem necessary.

12 b. Every authority may enter into contracts with any public or  
13 private entity to operate motorbus regular route, paratransit or  
14 motorbus charter services or portions or functions thereof. Pay-  
15 ments shall be by agreement upon such terms and conditions as the  
16 authority shall deem necessary.

17 c. Every authority may enter into contracts with any public or  
18 private entity to operate marine passenger services and air  
19 passenger services or portions or functions thereof. Payments  
20 shall be by agreement upon such terms and conditions as the au-  
21 thority shall deem necessary.

1 21. Every authority which acquires a public or private entity  
2 engaged in the provision of motorbus regular route service which,  
3 at the time of acquisition provides school bus services may con-  
4 tinue to provide the services only to the extent that the acquired  
5 entity is providing or is authorized to provide the service.

1 22. Every authority may prescribe, and from time to time  
2 when necessary, revise a schedule of all its facility and service  
3 charges. The charges fixed, charged and collected shall comply with



4 the terms of any contract of the authority and may be so adjusted  
5 that the revenues of the authority shall at all times be adequate to  
6 pay the expenses of operation and maintenance of transportation  
7 system, including reserves, insurance, improvements, replacements,  
8 and other required payments, and to pay the principal of and inter-  
9 est on any bonds and to maintain such reserves or sinking funds  
10 therefor as may be required by the terms of any contract of the au-  
11 thority or as may be deemed necessary or desirable by the authority.  
12 A copy of the schedule of service and facility charges in effect shall  
13 be a public record and shall be filed with the New Jersey Transit  
14 Corporation and the Department of Transportation.

1 23. Any municipality or county shall have power, in the discre-  
2 tion of its governing body, to appropriate moneys for the purposes  
3 of the authority, and to loan or donate the moneys to the authority  
4 in such installments and upon such terms as may be agreed upon  
5 with the authority.

1 24. a. The authority shall not be considered a public utility as  
2 defined in R. S. 48:2-13 and except with regard to subsection c. of  
3 this section the provisions of Title 48 of the Revised Statutes shall  
4 not apply to the authority.

5 b. The powers given the authority pursuant to section 15 of this  
6 act with respect to fares and service, shall be exercised without  
7 regard or reference to the jurisdiction vested in the Department  
8 of Transportation by R. S. 48:2-21, 48:2-24 and 48:4-3. The  
9 Department of Transportation shall resume jurisdiction over  
10 service and fares upon the termination and discontinuance of a  
11 contractual relationship between the authority and a private or  
12 public entity relating to the provision of public transportation  
13 services operated under the authority of certificates of public con-  
14 venience and necessity previously issued by the department or its  
15 predecessors; provided, however, that no private entity shall be  
16 required to restore any service discontinued or any fare changed  
17 during the existence of a contractual relationship with the au-  
18 thority, unless the Department of Transportation shall determine,  
19 after notice and hearing, that the service or fare is required by  
20 public convenience and necessity.

21 c. Notwithstanding any other provisions of this act, all vehicles  
22 used by any public or private entity pursuant to contract authorized  
23 by this act, and all vehicles operated by the authority directly, shall  
24 be subject to the jurisdiction of the Department of Transportation  
25 with respect to maintenance, specifications and safety to the same  
26 extent that jurisdiction is conferred upon the department by Title  
27 48 of the Revised Statutes.

28 d. Before implementing any fare increase for any motorbus  
29 regular route services, rail passenger services, paratransit services,  
30 or marine or air passenger services, or the substantial curtailment  
31 or abandonment of any those services, the authority shall hold a  
32 public hearing in the area affected during evening hours. Notice of  
33 the hearing shall be given by the authority at least 15 days prior to  
34 the hearing to the governing body of the county and the governing  
35 body of each municipality within the district whose residents will  
36 be affected and to the clerk of each county or counties whose resi-  
37 dents will be affected. The notice shall also be posted at least 15  
38 days prior to the hearing in prominent places on the railroad cars,  
39 buses, and other facilities used for the carriage of passengers serv-  
40 ing the routes to be affected.

1 25. In any proceeding before the Department of Transportation  
2 for decreasing or abandoning service any contract payments offered  
3 by the authority for continuing service shall be considered as  
4 available revenues by the department in making any determination  
5 on the petition.

1 26. a. The authority shall, by October 1 of each year, file with  
2 the Commissioner of Transportation a report in such format and  
3 detail as the commissioner may require setting forth the actual  
4 financial, operational and capital results of the previous fiscal  
5 year and a proposed operational, capital and financial plan for the  
6 next ensuing fiscal year or any other appropriate period.

7 b. On or before October 31 of each year, the authority shall make  
8 an annual report of its activities for the preceding fiscal year to the  
9 Governor, to the governing body of the county, the governing body  
10 of the municipality having the largest population within the county,  
11 to the governing body of each municipality in which authority  
12 transportation or parking facilities are located, and to the presiding  
13 officers and the Transportation and Communications Committees  
14 of both Houses of the Legislature. Each report shall set forth a  
15 complete operating and financial statement covering its operations  
16 and capital projects during the year.

17 c. Records of minutes, accounts, bills, vouchers, contracts or  
18 other papers connected with or used or filed with the authority or  
19 with any officer or employee acting for or in its behalf are declared  
20 to be public records and shall be open to public inspection in accord-  
21 ance with P. L. 1963, c. 73 (C. 47:1A-1 et seq.) and regulations  
22 prescribed by the authority.

23 d. The authority shall cause an audit of its books and accounts  
24 to be made at least once each year by certified public accountants  
25 and the cost thereof may be treated as a cost of operation. The

26 audit shall be filed within 4 months after the close of the fiscal year  
27 of the authority and certified duplicate copies thereof shall be filed  
28 with the office of the chief finance officer of the county, the Depart-  
29 ment of Transportation, the Director of the Division of Local  
30 Government Services and the office of the chief finance officer of  
31 each municipality in which authority transportation or parking  
32 facilities are located.

33 e. Notwithstanding the provisions of any law to the contrary, the  
34 State Auditor or his legally authorized representative may examine  
35 the accounts and books of the authority.

36 f. The authority shall not implement any plans set forth in the  
37 annual fiscal report required to be submitted pursuant to subsec-  
38 tion a. of this section prior to the approval of the Commissioner  
39 of Transportation of that report. If the report is not disapproved  
40 within 60 days of its submission to the commissioner, the report  
41 shall be deemed to be approved. Any report, which is disapproved  
42 pursuant to this subsection, may be resubmitted to the commissioner  
43 and shall be deemed to be approved if not disapproved within  
44 20 days of resubmission.

1 27. For the purpose of raising funds to pay the cost of any part  
2 of its transportation system or for the purpose of funding or  
3 refunding any bonds, a county transportation authority may autho-  
4 rize or provide for the issuance of bonds pursuant to this act,  
5 by resolution which shall:

6 a. Describe in brief and general terms sufficient for reasonable  
7 identification the transportation system or part thereof to be  
8 constructed or acquired, or describe the bonds which are to be  
9 funded or refunded;

10 b. State the cost or estimated cost of the project; and,

11 c. Provide for the issuance of the bonds in accordance with  
12 section 28 of this act.

13 Any bond resolution proposed for adoption pursuant to this  
14 section shall be submitted prior to adoption to the Local Finance  
15 Board for its review and approval. The Local Finance Board shall  
16 approve the proposed bond resolution if it determines that the cost  
17 of the project has been accurately determined, that the method  
18 proposed for the funding of the project cost, proposed or maximum  
19 terms and provisions of the financing and of any proposed financ-  
20 ing agreement are reasonable and feasible, and would not impose  
21 any undue financial burden on the residents of the district, and  
22 would not materially impair the ability of the authority to pay  
23 promptly the principal of and interest on the outstanding indebted-  
24 ness of the authority or to provide existing public transportation

25 services. If the proposed bond resolution is not disapproved within  
26 90 days of its submission to the Local Finance Board, the proposed  
27 resolution shall be deemed to be approved, and the authority may  
28 proceed to adopt the same. The authority shall not adopt any  
29 bond resolution which is disapproved by the Local Finance Board  
30 within the 90 days, but may resubmit the bond resolution to the  
31 board with such changes as the authority deems appropriate, and  
32 the review and approval of the resubmitted resolution shall be  
33 subject to the limitations set forth above.

1 28. Upon the adoption of a bond resolution, a county trans-  
2 portation authority may incur indebtedness, borrow money and  
3 issue its bonds for the purpose of financing the project or of  
4 funding or refunding its bonds. The bonds shall be authorized by  
5 the bond resolution and may be issued in one or more series and  
6 shall bear such date or dates, mature at such time or times not ex-  
7 ceeding the period or average period of usefulness determined in  
8 the resolution, bear interest at such rate or rates, be in such denomi-  
9 nation or denominations, be in such form, either coupon or regis-  
10 tered, carry such conversion or registration privileges, have such  
11 rank or priority, be executed in such manner, be payable from such  
12 sources, in such medium of payment, at such place or places within  
13 or without the State, and be subject to such terms or redemption,  
14 with or without premium, all as the bond resolution may provide.  
15 The authority may issue the types of bonds as it may determine,  
16 including, but not limited to, bonds on which the principal and  
17 interest are payable: a. exclusively from the income and revenues  
18 of the project financed with the proceeds of the bonds; b. exclu-  
19 sively from the income and revenues of certain designated projects  
20 whether or not they are financed in whole or in part with the  
21 proceeds of the bonds; or c. its revenues generally. The bonds may  
22 be additionally secured by a pledge of any grant or contributions  
23 from the Federal Government, the State, county or any munici-  
24 pality or a pledge of any income or revenues of the authority,  
25 including income or revenues to be received pursuant to grant or  
26 lease by the authority of the use or services of any facility owned or  
27 controlled by it. This act shall be complete authority, and the provi-  
28 sions of any other law shall not apply to the issuance of the bonds.

1 29. Bonds of a county transportation authority may be sold by  
2 the authority at public or private sale at such price or prices as  
3 the authority shall determine, but the interest cost to maturity of  
4 the money received for any issue of bonds shall not exceed that  
5 specified in the bond resolution.

1 30. The county transportation authority shall cause a copy  
2 of any bond resolution adopted by it to be filed for public in-  
3 spection in its office and in the office of the clerk of the governing  
4 bodies of the counties and municipalities within the district, and  
5 shall thereupon cause to be published, at least once, in a newspaper,  
6 published or circulating in the district a notice stating the fact and  
7 date of the adoption and the places where the bond resolution has  
8 been filed for public inspection; the date of the first publication of  
9 the notice; and, that any action or proceeding of any kind or nature  
10 in any court questioning the validity or proper authorization of  
11 bonds provided for by the bond resolution, or the validity of any  
12 covenants, agreements or contracts provided for by the bond resolu-  
13 tion, shall be commenced within 20 days after the first publication  
14 of notice. If the notice shall be so published, and if no action or  
15 proceeding questioning the validity or proper authorization of  
16 bonds provided for by the bond resolution referred to in the notice,  
17 or the validity of any covenants, agreements or contracts provided  
18 for by the bond resolution, shall be commenced or instituted within  
19 20 days after the first publication of the notice, then all residents  
20 and taxpayers and owners of property in the district and users  
21 of the transportation system and all other persons whatsoever  
22 shall be forever barred and foreclosed from instituting or com-  
23 mencing any action or proceeding in any court, or from pleading  
24 any defense to any action or proceeding, questioning the validity  
25 or proper authorization of the bonds, or the validity of the cove-  
26 nants, agreements or contracts, and the bonds, covenants, agree-  
27 ments and contracts shall be conclusively deemed to be valid and  
28 binding obligations in accordance with their terms and tenor.

1 31. Any bond resolution of a county transportation authority  
2 providing for or authorizing the issuance of any bonds may contain  
3 provisions, and the authority, in order to secure the payments  
4 of the bonds and in addition to its other powers, may, by provision  
5 in the bond resolution, covenant with the several holders of the  
6 bonds, as to:

7 a. The custody, security, use, expenditure or application of the  
8 proceeds of the bonds;

9 b. The construction and completion, or replacement, of all or  
10 any part of the transportation system;

11 c. The use, regulation, operation, maintenance, insurance or  
12 disposition of all or any part of the transportation system, or  
13 restrictions on the exercise of the powers of the authority to  
14 dispose or to limit or regulate the use of all or any part of the  
15 transportation system;

16 d. Payment of the principal of or interest on the bonds, or any  
17 other obligations, and the sources and methods thereof, the rank  
18 or priority of the bonds or obligations as to any lien or security, or  
19 the acceleration of the maturity of the bonds or obligations;

20 e. The use and disposition of any moneys of the authority,  
21 including revenues derived or to be derived from the operation of  
22 all or any part of the transportation system, including any parts  
23 thereof theretofore constructed or acquired and any parts, exten-  
24 sions, replacements or improvements thereof thereafter constructed  
25 or acquired;

26 f. Pledging, setting aside, depositing or trusteeing all or any part  
27 of the revenues or other moneys of the authority to secure the  
28 payment of the principal of or interest on the bonds or any other  
29 obligations or the payment of expenses of operation or maintenance  
30 of the transportation system, and the powers and duties of any  
31 trustee with regard thereto;

32 g. The setting aside out of the revenues or other moneys of the  
33 authority of reserves and sinking funds, and the source, custody,  
34 security, regulation, application and disposition thereof;

35 h. Determination or definition of the revenues or of the expenses  
36 of operation and maintenance of the transportation system;

37 i. The rents, rates, fees, or other charges in connection with or  
38 for the use of the transportation system, including any parts  
39 thereof theretofore constructed or acquired and any parts, exten-  
40 sions, replacements or improvements thereof thereafter constructed  
41 or acquired, and the fixing, establishment, collection and enforce-  
42 ment of the same, the amount or amounts of revenues to be pro-  
43 duced thereby, and the disposition and application of the amounts  
44 charged or collected;

45 j. The assumption or payment or discharge of any indebtedness,  
46 liens or other claims relating to any part of the transportation  
47 system or any obligations having or which may have a lien on  
48 any part of the revenues;

49 k. Limitations on the issuance of additional bonds or any other  
50 obligations or on the incurrence of indebtedness of the authority;

51 l. Limitations on the powers of the authority to construct,  
52 acquire or operate, or to consent to the construction, acquisition or  
53 operation of, any structures, facilities or properties which may  
54 compete or tend to compete with the transportation system, except  
55 these limitations may not be imposed without the consent of the  
56 New Jersey Transit Corporation;

57 m. Vesting in a trustee or trustees such property, rights, powers  
58 and duties in trust as the authority may determine, which may

59 include any or all of the rights, powers and duties of the trustee  
 60 appointed by the holders of bonds pursuant to section 32 of this  
 61 act, and limiting or abrogating the right of the holders to appoint  
 62 a trustee pursuant to section 32 or limiting the rights, duties and  
 63 powers of the trustee:

64 n. The procedure, if any, by which the terms of any covenant or  
 65 contract with, or duty to, the holders of bonds may be amended  
 66 or abrogated, the amount of bonds the holders of which the consent  
 67 thereto, and the manner in which the consent may be given or  
 68 evidenced; or

69 o. Any other matter or course of conduct which, by recital in the  
 70 bond resolution, is declared to further secure the payment of the  
 71 principal of or interest on the bonds and to be part of any covenant  
 72 or contract with the holders of the bonds.

73 These provisions of the bond resolution and covenants and  
 74 agreements shall constitute legally binding contracts between the  
 75 authority and the several holders of the bonds, regardless of the  
 76 time of issuance of the bonds, and shall be enforceable by the  
 77 holder or holders by appropriate action, suit or proceeding in any  
 78 court of competent jurisdiction.

1 32. a. If the bond resolution of a county transportation au-  
 2 thority authorizing or providing for the issuance of a series of its  
 3 bonds shall provide in substance that the holders of the bonds of  
 4 that series shall be entitled to the benefits of this section, and if there  
 5 shall be a default in the payment of principal of or interest on  
 6 any bonds of that series after the same shall become due, whether  
 7 at maturity or upon call for redemption, and if that default shall  
 8 continue for a period of 30 days, or if the authority shall fail or  
 9 refuse to comply with any of the provisions of this act or shall  
 10 fail or refuse to carry out and perform the terms of any contract  
 11 with the holders of the bonds, and if the failure or refusal shall  
 12 continue for a period of 30 days after written notice to the authority  
 13 of its existence and nature, the holders of 25% in aggregate princi-  
 14 pal amount of the bonds of that series then outstanding by instru-  
 15 ment or instruments filed in the office of the Secretary of State and  
 16 proved or acknowledged in the same manner as a deed to be re-  
 17 corded, may appoint a trustee to represent the holders of the bonds  
 18 of that series for the purposes provided in this section.

19 b. The trustee may and upon written request of the holders of  
 20 25% in aggregate principal amount of the bonds of that series then  
 21 outstanding shall, in his or its own name:

22 (1) By any action, or other proceeding, enforce all rights of the  
 23 holders of the bonds, including the right to require the authority

24 to charge and collect facility or service charges adequate to carry  
25 out any contract as to, or pledge of, revenues, and to require the  
26 authority to carry out and perform the terms of any contract with  
27 the holders of the bonds or its duties under this act;

28 (2) Bring an action upon all or any part of the bonds or interest  
29 coupons or claims appurtenant thereto;

30 (3) By action, require the authority to account as if it were the  
31 trustee of an express trust for the holders of the bonds;

32 (4) By action, enjoin any acts or things which may be unlawful  
33 or in violation of the rights of the holders of the bonds; or,

34 (5) Declare the bonds due and payable, whether or not in ad-  
35 vance of maturity, upon 30 days' prior notice in writing to the  
36 authority and, if all defaults shall be made good, then with the  
37 consent of the holders of 25% of the principal amount of the bonds  
38 then outstanding, annul the declaration and its consequences.

39 c. The trustee shall, in addition to the foregoing, have all of  
40 the powers necessary or appropriate for the exercise of the func-  
41 tions specifically set forth herein or incident to the general repre-  
42 sentation of the holders of bonds of that series in the enforcement  
43 and protection of their rights.

44 d. In any action or proceeding by the trustee, the fees, counsel  
45 fees and expenses of the trustee and of the receiver, if any, ap-  
46 pointed pursuant to this act, shall, if allowed by the court, consti-  
47 tute taxable costs and disbursements, and all costs and disburse-  
48 ments, allowed by the court, shall be a first charge upon any facility  
49 and service charges and revenues of the authority pledged for the  
50 payment or security of bonds of that series.

1 33. If the bond resolution of a county transportation authority  
2 authorizing or providing for the issuance of a series of its bonds  
3 shall provide in substance that the holders of the bonds of that  
4 series shall be entitled to the benefits of section 32 of this act and  
5 shall further provide in substance that any trustee appointed pur-  
6 suant to that section or having the powers of such a trustee shall  
7 have the powers provided by this section, then the trustee, whether  
8 or not all of the bonds of the series shall have been declared due  
9 and payable, shall be entitled to the appointment of a receiver of  
10 the transportation system, and the receiver may enter upon and  
11 take possession of the transportation system and, subject to any  
12 pledge or contract with the holders of the bonds, shall take posses-  
13 sion of all moneys and other property derived from or applicable to  
14 the acquisition, construction, operation, maintenance or reconstruc-  
15 tion which the authority is under any obligation to do, and operate,



16 maintain and reconstruct the transportation system and fix, charge,  
17 collect, enforce and receive the facility and service charges and all  
18 revenues thereafter arising subject to any pledge thereof or con-  
19 tract with the holders of the bonds relating thereto, and perform  
20 the public duties and carry out the contracts and obligations of  
21 the authority in the same manner as the authority itself might do  
22 and under the direction of the court.

1 34. Neither the members of the county transportation authority  
2 nor any person executing bonds issued pursuant to this act shall  
3 be liable personally on the bonds by reason of the issuance thereof.  
4 Bonds or other obligations issued by the authority pursuant to  
5 this act shall not be a debt or liability of the State or of any  
6 county or municipality and shall not create or constitute any in-  
7 debtedness, liability or obligation of the State or of any county or  
8 municipality. Nothing contained in this act shall be construed to  
9 authorize any county transportation authority to incur any indebt-  
10 edness on behalf of or to obligate the State or any county or mu-  
11 nicipality.

1 35. Notwithstanding the provisions of any law to the contrary,  
2 any bond or other obligation issued pursuant to this act shall be  
3 fully negotiable within the meaning and for all purposes of the  
4 negotiable instruments law of the State, and each holder or owner  
5 of such a bond or other obligation, or of any coupon appurtenant  
6 thereto, by accepting the bond, obligation or coupon shall be con-  
7 clusively deemed to have agreed that the bond, obligation or coupon  
8 is and shall be fully negotiable within the meaning and for all  
9 purposes of the negotiable instruments law.

1 36. a. The authority may acquire by purchase, condemnation,  
2 lease, gift or otherwise, on terms and conditions and in the manner  
3 it deems proper, for use by the authority or for use by any other  
4 public or private entity providing rail passenger, motorbus regular  
5 route, paratransit, marine passenger, air passenger or motorbus  
6 charter services, all or part of the facility, plant, equipment, prop-  
7 erty, shares of stock, rights of property, reserve funds, employees  
8 pension or retirement funds, special funds, franchises, licenses,  
9 patents, permits and papers, documents and records of a public or  
10 private entity providing that service within the district.

11 b. The authority may acquire by purchase, condemnation, lease,  
12 gift or otherwise, on the terms and conditions and in the manner  
13 it deems proper, any land or property real or personal, tangible  
14 or intangible which it may determine is reasonably necessary for  
15 the purposes of the authority under the provisions of this act.

16 c. (1) The authority, when acquiring property pursuant to sub-  
17 sections a. or b. of this section shall exercise its power of eminent  
18 domain in accordance with the provisions of the "Eminent Domain  
19 Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.).

20 (2) As used in this act, the definition of property in section 2 of  
21 P. L. 1971, c. 361 (C. 20:3-2) includes all property referred to in  
22 subsections a. or b. of this section, and the provisions of P. L.  
23 1971, c. 361 shall apply to that property.

24 d. (1) If the authority shall determine to acquire by condemnation  
25 all outstanding shares of corporate stock of a company, and if the  
26 stock is owned by 10 or more individuals or entities, the court, on  
27 application of the authority, shall appoint a trustee who shall act  
28 as representative of all stockholders for the purpose of the con-  
29 demnation proceedings. Upon the appointment of a trustee, the  
30 authority may file a single condemnation action condemning all  
31 outstanding shares of stock and naming the appointed trustee as  
32 representative of all defendant owners.

33 (2) When a trustee has been appointed pursuant to this section,  
34 the court may award the trustee a reasonable fee as payment for  
35 services rendered. Other costs, expenses and fees shall be paid from  
36 the proceeds of the condemnation award or settlement if amicably  
37 resolved.

38 e. A State agency, State authority, county, municipality, bistate  
39 authority, or other political subdivision of the State is authorized  
40 to donate, give, transfer or assign any asset or property it now  
41 owns or may hereafter acquire to the authority which may be  
42 necessary for the furtherance of the objectives of this act.

43 f. Upon the filing of a declaration of taking the authority shall  
44 be entitled to the immediate possession of all property and assets  
45 named therein; and in the case of a condemnation pursuant to  
46 subsection d. or the acquisition of the entire assets of any entity,  
47 the authority shall be entitled to immediate possession and control  
48 of all assets and facilities and shall have exclusive management  
49 authority over the entity taken.

1 37. a. As used in this section:

2 (1) "Employee" means:

3 (a) An employee of the authority; or,

4 (b) An employee of any public or private entity acquired, owned,  
5 or operated by the authority.

6 "Employee" does not include an employee of a public or private  
7 entity, other than as provided in subsection f. and in (a) and (b)  
8 above, which provides public transportation services pursuant to  
9 operating rights granted by a regulatory body or pursuant to au-

10 thority arising from contractual agreements entered into with  
11 the authority pursuant to section 20 of this act. Except as  
12 provided in subsection g. of this section, "employee" does not in-  
13 clude a supervisory employee as defined under the "Labor Manage-  
14 ment Relations Act, 1947" (29 U. S. C. §§ 141 et seq.) or a man-  
15 agerial executive or confidential employee as defined under the  
16 "New Jersey Employer-Employee Relations Act," P. L. 1941, c. 100  
17 (C. 34:13A-1 et seq.).

18 (2) "Employer" means an employer of an employee.

19 (3) "Acquisition by the authority of a public or private entity  
20 which provides public transportation services," or words of like  
21 import, mean an acquisition effected by a purchase or condemna-  
22 tion of all, or a controlling interest in, the stock or other equity  
23 interest of the entity, or purchase or condemnation of all or sub-  
24 stantially all of the assets of the entity.

25 b. In accordance with law, employees of the employer shall have  
26 and retain their rights to form, join or assist labor organizations  
27 and to negotiate collectively through exclusive representatives of  
28 their own choosing.

29 c. The enforcement of the rights and duties of the employer and  
30 employees shall be governed by the "New Jersey Employer-Em-  
31 ployee Relations Act" P. L. 1941, c. 100 (C. 34:13A-1 et seq.) and  
32 shall be within the jurisdiction of the Public Employment Relations  
33 Commission established pursuant to that act. In carrying out this  
34 function, the commission shall be guided by the relevant Federal  
35 or State labor law and practices, as developed under the "Labor  
36 Management Relations Act, 1947" or under the "Railway Labor  
37 Act," (45 U. S. C. §§ 151 et seq.); except, employees shall not have  
38 the right to strike except as provided by the "Railway Labor Act."  
39 Whenever negotiations between the employer and an exclusive re-  
40 presentative concerning the terms and conditions of employment  
41 shall reach an impasse, the commission shall, upon the request of  
42 either party, take such steps as it may deem expedient to effect a  
43 voluntary resolution of the impasse, including the assignment of a  
44 mediator. In the event of a failure to resolve the impasse by media-  
45 tion, the commission shall, at the request of either party, invoke  
46 fact finding with recommendations for settlement of all issues in  
47 dispute. Fact-finding shall be limited to those issues that are within  
48 the required scope of negotiations. In the event of a continuing  
49 failure to resolve an impasse by means of the procedure set forth  
50 above, and notwithstanding the fact that these procedures have not  
51 been exhausted, but not later than 30 days prior to the expiration  
52 of a collectively negotiated contract, the procedures set forth in

53 paragraph (2) of subsection c. of section 3 and sections 4 through  
54 8 of P. L. 1977, c. 85 (34:13A-16d. (2) through 34:13A-21) shall be  
55 the sole method of dispute resolution, unless the parties mutually  
56 agree upon an alternative form of arbitration;

57 d. The majority representative of employees in an appropriate  
58 unit shall be entitled to act for, and negotiate successor agreements  
59 covering, all employees in the unit and shall be responsible for  
60 representing the interests of those employees without discrimina-  
61 tion. It shall be the mutual obligation of the employer and the  
62 majority representative of any of its employees to negotiate collec-  
63 tively with respect to mandatorily negotiable subjects which inti-  
64 mately and directly affect the work and welfare of employees.  
65 These subjects include wages, hours of work, the maintenance of  
66 union security and check-off arrangements, pensions, and other  
67 terms and conditions of employment. The obligation to negotiate  
68 in good faith encompasses the responsibility to meet at reasonable  
69 times and to confer on matters properly presented for negotiations  
70 and to execute a written contract containing an agreement reached,  
71 but the obligation does not compel either party to agree to a pro-  
72 posal or require the making of a concession.

73 e. In acquiring, operating, or contracting for the operation of  
74 public transportation services, the authority shall make provision  
75 to assure continuing representation for collective negotiations on  
76 behalf of employees, giving due consideration to preserving estab-  
77 lished bargaining relationships to the extent consistent with the  
78 purposes of this act. Those relationships may be changed only  
79 in accordance with the principles established under the "Labor  
80 Management Relations Act, 1947" and the "Railway Labor Act."

81 Upon acquisition by the authority of a public or private entity  
82 which provides public transportation services, the authority shall  
83 assume and observe all existing labor contracts of such entity for  
84 their remaining term. All of the employees of the acquired entity,  
85 as defined in subsection a., shall be transferred to the employment  
86 of the employer and appointed to comparable positions without  
87 examination subject to all the rights and benefits of this act, and  
88 these employees shall be given sick leave, seniority, vacation, and  
89 pension credits in accordance with the records and labor agree-  
90 ments of the acquired entity.

91 f. For purposes of this subsection:

92 (1) "Employee" means an employee employed, as of the date of  
93 the first acquisition by the authority, by any entity acquired, owned  
94 or operated by the authority or by any other entity which provides  
95 motorbus regular route, but does not mean supervisory employees,  
96 managerial executive and confidential employees;

97 (2) "Action by the corporation" mean acquisition, contracts for  
98 motorbus regular route, mergers, consolidations, coordination and  
99 rearrangements of services and work forces, but does not mean:

100 (a) The setting of fares by contract or otherwise unless that  
101 action results in a substantial diversion of riders; or

102 (b) The discontinuance of motorbus regular route services by  
103 the authority to the extent that substantially similar public trans-  
104 portation service does not continue to be provided; or

105 (c) A failure or refusal, by the authority, to enter into a contract  
106 for all or a portion of an entity's motorbus regular route service  
107 to the extent that substantially similar public transportation service  
108 does not continue to be provided.

109 Except as provided herein, employees whose positions are  
110 worsened with regard to wages, hours, seniority and other terms  
111 and conditions of employment, shall be protected for a period of 5  
112 years from the date of the first acquisition by the authority. This  
113 time limitation does not apply to protections afforded to employees  
114 whose positions are worsened as a result of acquisitions or con-  
115 tracts which transfer responsibility for the provision of sub-  
116 stantially similar motorbus regular route service from one entity,  
117 including the authority, to another. With regard to any acquisition  
118 or contract transferring service responsibility, only claims arising  
119 from actions taken within 18 months therefrom shall be eligible for  
120 protection.

121 Protections and procedures to implement those protections shall  
122 be provided in accordance with the terms of the agreement entered  
123 into between the Department of Transportation's Commuter  
124 Operating Agency, established pursuant to P. L. 1966, c. 301 (C.  
125 27:1A-16 et seq.), and Amalgamated Transit Union on March 2,  
126 1976, except that no protective allowances or other benefits shall  
127 exceed 3 years' duration. Pursuant to this agreement, the employer  
128 of the employee shall be considered the "assisted carrier" and  
129 actions of the authority shall constitute the "project."

130 g. For purposes of this subsection, "employees" means indi-  
131 viduals, including supervisory employees, management executives  
132 and confidential employees, who:

133 (1) Have terminated their employment with an acquired entity  
134 with vested retirement benefits; or,

135 (2) Are employed by the authority after accruing retirement  
136 benefits, whether or not vested, while employed by an acquired  
137 entity.

138 The authority as a condition of acquiring a public or private  
139 entity which provides public transportation services, shall ensure

140 that employees' retirement benefits, which have accrued on the  
141 basis of service to the date of the acquisition, are provided for and  
142 paid as they come due. These benefits shall be provided for and  
143 paid either by the entity so acquired, the former owner or owners  
144 of the entity, an affiliate of the entity, the Pension Benefit Guaranty  
145 Corporation, another public instrumentality, the authority itself,  
146 any other reasonable means, or any combination of the foregoing.  
147 These benefits may be provided for either through existing plans,  
148 new plans, mergers or consolidations of plans, or other appropriate  
149 or reasonable means.

1 38. Notwithstanding the provisions of section 37 of this act,  
2 upon acquisition by the authority, whether by purchase, condemna-  
3 tion or otherwise, of an entity providing jitney bus service in any  
4 municipality pursuant to R. S. 48:16-23 et seq., the authority shall,  
5 in addition to any compensation to be provided pursuant to the  
6 "Eminent Domain Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.)  
7 or other provisions of law, provide the operator of such entity with  
8 preference for employment with the authority in any available  
9 position similar to that formerly held by the operator, at the salary  
10 being paid by the authority for such position to persons having ex-  
11 perience equal in years to that of the operator; provided, however,  
12 that if the operator is willing to assume such employment with the  
13 authority, but is in the judgment of the authority incapable by rea-  
14 son of age, physical disability, or otherwise of doing so, the author-  
15 ity shall pay to the operator, in accordance with fiscal procedures  
16 established by the authority, an amount equal to the salary which  
17 such operator would otherwise have received in 1 year of employ-  
18 ment in the available position.

19 No operator entitled to employment preference or a payment  
20 under this section shall be entitled to any employment rights or  
21 other benefits provided under section 37 of this act. No payments  
22 made pursuant to this section shall be made from State or Federal  
23 funds received by the authority.

1 39. a. All contracts awarded by an authority pursuant to this act  
2 and all subcontracts awarded in connection therewith shall contain  
3 appropriate provisions by which contractors and subcontractors  
4 or their assignees agree to afford an equal employment opportunity  
5 to all prospective employees and to all actual employees to be em-  
6 ployed by the contractor or subcontractor in accordance with an  
7 affirmative action program approved by the authority and conso-  
8 nant with the provisions of the "Law Against Discrimination" P. L.  
9 1945, c. 169 (C. 10:5-1 et seq.). No contract shall be awarded by  
10 the authority in violation of this subsection.

11 b. Any authority created pursuant to this act shall formulate  
12 and abide by an affirmative-action program of equal opportunity  
13 whereby the authority guarantees to provide equal employment  
14 opportunity to members of minority groups in accordance with the  
15 provisions of the "Law Against Discrimination" P. L. 1945, c. 169  
16 (C. 10:5-1 et seq.).

1 40. In addition to other powers conferred by this act or by any  
2 other law, every county transportation authority, in connection  
3 with construction or operation of any part of a transportation  
4 system, may make reasonable regulations for the installation, con-  
5 struction, maintenance, repair, renewal, relocation and removal of  
6 tracks, pipes, mains, conduits, cables, wires, towers, poles or any  
7 other equipment and appliances (herein called "facilities") of any  
8 public utility as defined in R. S. 48:2-13, in, on, along, over or  
9 under any real property of the county transportation authority.  
10 Whenever in connection with construction or operation of any part  
11 of a transportation system, any county transportation authority  
12 shall determine that it is necessary that those facilities, which now  
13 are, or hereafter may be, located in, on, along, over or under any  
14 such real property, should be relocated in the real property, or  
15 should be removed therefrom, the public utility owning or operat-  
16 ing the facilities shall relocate or remove the same in accordance  
17 with the order of the authority; but the cost and expenses of the  
18 relocation or removal, including the cost of installing the facilities  
19 in a new location, or new locations, and the cost of any lands or  
20 any rights or interest in lands, or any other rights acquired to  
21 accomplish the relocation or removal, less the cost of any lands or  
22 any rights or interest in lands or any other rights of the public  
23 utility paid to the public utility in connection with the relocation  
24 or removal of the property, shall be paid by the authority and may  
25 be included in the cost of the transporttaion system. In case of any  
26 relocation or removal of facilities, the public utility owning or  
27 operating the same, its successors or assigns, may maintain and  
28 operate the facilities, with the necessary appurtenances, in the new  
29 location or new locations for as long a period, and upon the same  
30 terms and conditions, as it had the right to maintain and operate  
31 the facilities in their former location.

1 41. For the purpose of aiding and cooperating in the planning,  
2 undertaking, acquisition, construction or operation of any facility  
3 of a county transportation authority, any county or municipality  
4 within the district may, in the manner provided by law: a. acquire  
5 real property in its name for any project or for the widening of

6 existing roads, streets, parkways, avenues or highways or for new  
7 roads, streets, parkways, avenues, or highways to the facility, or  
8 partly for those purposes and partly for other municipal purposes,  
9 by purchase or condemnation in the manner provided by law for the  
10 acquisition of real property by the municipality; b. furnish,  
11 dedicate, close, vacate, pave, install, grade, regrade, plan or replan  
12 streets, roads, roadways, alleys, sidewalks or other places which  
13 it is otherwise empowered to undertake; and, c. do any and all  
14 things necessary or convenient to aid and cooperate in the planning,  
15 undertaking, construction or operation of the facility, and cause  
16 services to be furnished to the authority of the character which the  
17 county or municipality is otherwise empowered to furnish, and to  
18 incur the entire expense thereof.

1 42. Any county or municipality, by ordinance or resolution of its  
2 governing body, as appropriate, or any other person may, without  
3 any referendum or public or competitive bidding to sell, lease, lend,  
4 grant or convey to a county transportation authority or to permit  
5 a county transportation authority to use, maintain or operate as  
6 part of the transportation system any real or personal property  
7 owned by it which may be necessary or useful and convenient for  
8 the purposes of the authority and accepted by the authority. The  
9 sale, lease, loan, grant, conveyance or permit may be made with or  
10 without consideration and for a specified or an unlimited period of  
11 time and under any agreement and on any terms and conditions  
12 which may be approved by the county or municipality or other  
13 person and which may be agreed to by the authority in conformity  
14 with its contracts with the holders of any bonds. Subject to any  
15 of these contracts with holders of bonds, the county transportation  
16 authority may enter into and perform any and all agreements with  
17 respect to property so accepted by it, including agreements for the  
18 assumption of principal or interest, or both, of indebtedness of the  
19 county or municipality or other person or of any mortgage or lien  
20 existing with respect to the property or for the operation and  
21 maintenance of the property as part of the transportation system.

1 43. Any county or municipality within the district may from time  
2 to time, pursuant to ordinance or resolution, as appropriate, of its  
3 governing body, and for such period and upon such terms, with or  
4 without consideration, as may be provided in the ordinance or  
5 resolution, as the case may be, and accepted by the authority, appro-  
6 priate money for all or any part of the cost of acquisition or con-  
7 struction of the transportation system of the authority.



1 44. Any county transportation authority may enter into a  
2 contract or contracts provided for or relating to the use or lease  
3 of all or any part of the transportation system of the authority  
4 and the cost and expense of the use. The contract may provide for  
5 the payment to the authority annually or otherwise of a sum or  
6 sums of money for that use, computed at fixed amounts or by a  
7 formula or in any other manner. The contract may be made with  
8 or without consideration and for a specified or an unlimited time  
9 and on any terms and conditions which may be approved and agreed  
10 to by the authority in conformity with its contracts with the holders  
11 of any bonds. Subject to these contracts with the holders of bonds,  
12 the authority is authorized to do any and all acts or things neces-  
13 sary, convenient or desirable to carry out and perform every such  
14 contract.

1 45. Except as otherwise provided in this act with respect to the  
2 right of the county transportation authority to grant by franchise,  
3 lease or otherwise the use of any facility owned or controlled by it,  
4 the authority shall not mortgage, pledge, encumber or otherwise  
5 dispose of any part of the transportation system, except that the  
6 authority may dispose of such part or parts thereof as may be no  
7 longer necessary for the purposes of the authority. The provisions  
8 of this section shall be deemed to constitute a part of the contract  
9 with the holder of any bonds.

1 46. All property of a county transportation authority shall be  
2 exempt from levy and sale by virtue of an execution and no execu-  
3 tion or other judicial process shall issue against the same nor shall  
4 any judgment against a county transportation authority be a  
5 charge or lien upon its property, but this section shall not apply  
6 to nor limit the rights of the holder of any bonds to pursue any  
7 remedy for the enforcement of any pledge or lien given by a county  
8 transportation authority on its revenues or other moneys.

1 47. Every county transportation authority and any municipality  
2 in which any property of the authority is located are authorized  
3 to enter into agreements with respect to the payment by the  
4 authority to the municipality of annual sums of money in lieu of  
5 taxes on the property in an amount not less than the amount of  
6 taxes last paid on the property prior to its acquisition by the  
7 authority, or such other agreed amount computed on the basis of  
8 the assessed value of real property without improvements, and  
9 each county transportation authority is authorized to make such  
10 payments and each such municipality is empowered to accept such  
11 payments and to apply them in the manner in which taxes may be  
12 applied in such municipality.

1 48. Notwithstanding the provisions of any other law, the State  
2 and all public officers, municipalities, counties, political subdivisions  
3 and public bodies, and agencies thereof, all banks, bankers, trust  
4 companies, savings banks and institutions, building and loan asso-  
5 ciations, savings and loan associations, investment companies, and  
6 other persons carrying on a banking business, all insurance com-  
7 panies, insurance associations and other persons carrying on an  
8 insurance business, and all executors, administrators, guardians,  
9 trustees and other fiduciaries, may legally invest any sinking  
10 funds, moneys or other funds belonging to them or within their  
11 control in any bonds issued pursuant to this act, and the bonds  
12 shall be authorized security for any and all public deposits.

1 49. The transportation system and all other properties of a  
2 county transportation authority are declared to be public prop-  
3 erty of a political subdivision of the State and devoted to an  
4 essential public and governmental function and purpose and shall  
5 be exempt from all taxes and special assessments of the State or  
6 any subdivision thereof. All bonds issued pursuant to this act are  
7 declared to be issued by a political subdivision of this State and  
8 for an essential public and governmental purpose and to be a public  
9 instrumentality and the bonds, and the interest thereon and the  
10 income therefrom, and all facility charges, funds, revenues and  
11 other moneys pledged or available to pay or secure the payment  
12 of the bonds, or interest thereon, shall at all times be exempt from  
13 taxation, except for transfer, inheritance and estate taxes and  
14 taxes on transfers by or in contemplation of death.

1 50. The State of New Jersey does hereby pledge to and covenant  
2 and agree with the holders of any bonds issued by a county trans-  
3 portation authority pursuant to this act that the State will not  
4 limit or alter the rights hereby vested in the county transportation  
5 authority to acquire, construct, maintain, reconstruct and operate  
6 its transportation system, or to fix, establish, charge and collect  
7 its facility or service charges and to fulfill the terms of any agree-  
8 ment made with the holders of the bonds or other obligations, so as  
9 to in any way impair the rights or remedies of the holders, and  
10 will not modify in any way the exemptions from taxation provided  
11 for in this act, until the bonds, together with interest thereon, with  
12 interest on any unpaid installments of interest, and all costs and  
13 expenses in connection with any action or proceeding by or on  
14 behalf of the holders, are fully met and discharged.

1 51. Each county transportation authority shall file a certified  
2 copy of each bond resolution adopted by it in the office of the  
3 Director of the Division of Local Government Services, together

4 with a certified summary of the dates, amounts, maturities and  
5 interest rates of all bonds to be issued pursuant thereto, prior to  
6 the issuance of the bonds. Upon the adoption of each annual budget  
7 or amendment thereof by a county transportation authority, a  
8 certified copy thereof shall be filed forthwith with the director.

1 52. If the provisions of any article, section, subsection, para-  
2 graph, subdivision or clause of this act shall be judged invalid by  
3 a court of competent jurisdiction, the order or judgment shall  
4 not affect or invalidate the remainder of any article, section, sub-  
5 section, paragraph, subdivision or clause of this act and, to this  
6 end, the provisions of each article, section, subsection, paragraph,  
7 subdivision or clause of this act are described to be severable.

1 53. This act shall take effect immediately.

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ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 1220**

**STATE OF NEW JERSEY**

INTRODUCED JUNE 9, 1980

By Assemblyman GORMLEY

AN ACT authorizing the planning, development, construction, acquisition, financing and operation of transportation systems by or on behalf of counties in which are located municipalities in which casino gaming is authorized, providing for the establishment of county transportation authorities for the performance of those functions, the issuance of bonds and other obligations therefor, and service charges to meet the expenses thereof, and supplementing Title 40 of the Revised Statutes.

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

1 1. This act shall be known and may be cited as the "County  
2 Transportation Authorities Act."

1 2. The Legislature finds and declares that, as a result of the  
2 "Casino Control Act" (P. L. 1977, c. 110; C. 5:12-1 et seq.) and the  
3 introduction and development of legalized casino gaming in Atlantic  
4 City, intense demands have been placed upon the citizens of the  
5 Atlantic county region for the development and provision of in-  
6 tegrated and adequate transportation systems. The Legislature  
7 finds that the orderly planning, development, construction, acqui-  
8 sition, financing and operation of modern transportation systems on  
9 a countywide basis in that region will benefit residents of, and  
10 visitors to, this State, promote the economic vitality of the region  
11 and the State, avoid the evils of haphazard growth and land-use  
12 development, and advance the efficient use of energy and other  
13 resources. The Legislature further finds that the present and future  
14 need for regional planning and development of transportation  
15 systems in Atlantic county is a wholly exceptional situation, no  
16 parallel to which exists, or is likely to exist in the near future, any-  
17 where in the State.

18 The Legislature, therefore, declares that it is in the public in-  
19 terest of the citizens of this State to foster and promote by all  
20 reasonable means the provision of modern transportation and park-  
21 ing facilities in the Atlantic county region, and that the best means  
22 to accomplish this purpose is to authorize the creation of an appro-

23 priate regionally-oriented instrumentality in the county which will  
24 permit the most direct and immediate attention to the particular  
25 transportation needs of the Atlantic county region consistent with  
26 the need for, and procedures and structures established with re-  
27 spect to, efficient and convenient Statewide transportation systems.

1 3. As used in this act:

2 a. "Authority" means a county transportation authority created  
3 pursuant to section 4 of this act;

4 b. "Bonds" means any bonds, notes or other evidence of financial  
5 indebtedness issued by an authority pursuant to this act;

6 c. "Cost" means, in addition to the usual connotations thereof,  
7 the cost of acquisition or construction of all or any property, rights,  
8 easements and franchises deemed by an authority to be necessary  
9 or useful and convenient therefor, including interest or discount on  
10 bonds to finance such cost, engineering and inspection costs and  
11 legal expenses, the cost of financial, professional and other advice,  
12 and the cost of issuance of the bonds;

13 d. "Construction" means the planning, designing, construction,  
14 reconstruction, replacement, extension, enlargement, improvement  
15 and betterment of parking and transportation facilities, and in-  
16 cludes the demolition, clearance and removal of buildings or struc-  
17 tures on land acquired, held, leased or used for that facility;

18 e. "District" means the area within the boundaries of the county  
19 which created the authority;

20 f. "Parking facility" means any area or place, garage, building,  
21 or other improvement or structure for the parking or storage of  
22 motor or other vehicles, including, without limitation: all real and  
23 personal property, driveways, roads and other structures or areas  
24 necessary or useful or convenient for access to a facility from a  
25 public street, road or highway, or from any transportation facility;  
26 meters, mechanical equipment necessary or useful, or convenient for  
27 or in connection with that parking or storage; and any structures,  
28 buildings, space or accommodations, whether constructed by an  
29 authority or by the lessee, to be leased for any business, commercial  
30 or other use, including the sale of gasoline or accessories for, or the  
31 repair or other servicing of automobiles and other motor vehicles,  
32 if, in the opinion of an authority, the inclusion, provision and leas-  
33 ing is necessary to assist in defraying the expenses of the authority  
34 and make possible the operation of the parking facility at reason-  
35 able rates, but the authority shall not itself engage in the sale of  
36 gasoline or accessories for, or in the repair or other serving of,  
37 automobiles or other motor vehicles except in emergency, nor in  
38 the sale of any service or commodity of trade or commerce;

39 g. "Transportation facility" means any area, place, building,  
40 or other structure designed to provide rail passenger service,  
41 motorbus regular route service, paratransit service, motorbus  
42 charter service, air passenger service, or marine passenger service,  
43 or any two or more of these services, to the public, and includes  
44 passenger stations, shelters and terminals, air passenger terminals,  
45 hangars, heliports, docking and launching facilities, parking  
46 facilities, ramps, track connections, signal systems, power systems,  
47 information and communication systems, roadbeds, transit lanes  
48 or rights of way, equipment storage and servicing facilities,  
49 bridges, grade crossings, rail cars, locomotives, motorbus and other  
50 motor vehicles, boats and other marine vehicles, aircraft, mainte-  
51 nance and garage facilities, revenue handling equipment and any  
52 other equipment, facility or property useful for or related to the  
53 provision of these services;

54 h. "Motorbus regular route service" means the operation of  
55 any motorbus or motorbuses on streets, public highways or other  
56 facilities, over a fixed route and between fixed termini on a regular  
57 schedule for the purpose of carrying passengers, for hire or other-  
58 wise, within the district or between points within the district and  
59 points without the district;

60 i. "Paratransit service" means any service, other than motorbus  
61 regular route service and charter service, including but not limited  
62 to, dial-a-ride, nonregular route, jitney or community minibus, and  
63 shared-ride services such as vanpools, limousines or taxicabs which  
64 are regularly available to the public. Paratransit services shall  
65 not include limousine or taxicab service reserved for the private  
66 and exclusive use of individual passengers;

67 j. "Motorbus charter service" means subscription, tour and  
68 other special motorbus services;

69 k. "Rail passenger service" means the operation of railroad,  
70 subway, or light rail systems including fixed and automated guide-  
71 way systems for the purpose of carrying passengers in the district  
72 or between points within the district and points without the district;

73 l. "Air passenger service" means any service which involves  
74 the carriage of persons for compensation or hire by aircraft;

75 m. "Marine passenger service" means any service which in-  
76 volves the carriage of persons for compensation or hire by water-  
77 borne craft;

78 n. "Transportation system" means all parking and transporta-  
79 tion facilities acquired, constructed, leased or operated by a county  
80 transportation authority for the purpose of providing to the public

81 motorbus regular route service, paratransit service, motorbus  
82 charter service, rail passenger service, air passenger service,  
83 maine passenger service and any other service necessary for the  
84 fulfillment of the purposes of this act; and,

85 o. "Public transportation or public transportation service"  
86 means motorbus regular route service, paratransit service, motor-  
87 bus charter service, rail passenger service, air passenger service,  
88 and marine passenger service.

1 4. a. The governing body of any county in which is located a  
2 municipality in which casino gaming is authorized may by ordi-  
3 nance or resolution, as appropriate, create a public body corporate  
4 and politic with perpetual succession under the name and style of  
5 "the ..... transportation authority" with the name  
6 of such county inserted. Every authority is constituted an instru-  
7 mentality of the county exercising public and essential govern-  
8 mental functions.

9 b. The authority shall be governed by a board which shall con-  
10 sist of seven members. Five members shall be residents of the  
11 county, and shall be appointed by the governing body of the county.  
12 One member shall be a representative of the county government,  
13 appointed by the governing body of the county from among the  
14 freeholders, department heads and division directors of the county.  
15 One member shall be the Commissioner of the Department of  
16 Transportation, ex officio. Of the six members appointed by the  
17 governing body of the county, no more than three shall be members  
18 of the same political party.

19 c. Each public member of the board shall serve for a 5 year term  
20 to commence on July 1 of the year of appointment, except that, of  
21 those first appointed, one shall serve for a term of 1 year, one shall  
22 serve for a term of 2 years, one shall serve for a term of 3 years,  
23 one shall serve for a term of 4 years, and one shall serve for a term  
24 of 5 years.

25 The representative of the county government shall be annually  
26 appointed to serve for a 1 year term to commence on July 1 of the  
27 year of appointment.

28 d. The chairman of the board shall be designated upon appoint-  
29 ment by the county governing body from among the public members  
30 appointed thereby. The first chairman of the board shall be that  
31 member appointed by the county governing body for an initial 5  
32 year term.

33 e. The Commissioner of Transportation may designate a repre-  
34 sentative from among the employees of his department to represent  
35 him at meetings of the board and such designee may lawfully vote

36 and otherwise act on behalf of the commissioner. The designation  
37 shall be made annually in writing delivered to the board and shall  
38 continue in effect until revoked or amended by written notice  
39 delivered to the board.

40 f. Except for the commissioner, each member of the board may  
41 be removed from office for cause by the respective appointing  
42 authority. A vacancy in the membership of the board, occurring  
43 other than by expiration of term, shall be filled in the same manner  
44 as the original appointment for the unexpired term. If the member  
45 representing the county government shall, for any reason, vacate  
46 his position with the county government his membership on the  
47 board shall immediately terminate, and the position shall be vacant.  
48 If any public member shall become a holder of, or candidate for,  
49 any elective office, or accept appointment to fill any elective office,  
50 his membership on the board shall immediately terminate, and the  
51 position shall be vacant.

52 g. A copy of the ordinance or resolution for the creation of an  
53 authority adopted pursuant to this section, duly certified by the  
54 appropriate officer of the county, shall be filed in the office of the  
55 Secretary of State and the office of the Director of the Division  
56 of Local Government Services. Upon proof of the filing, the au-  
57 thority shall, in any suit, action or proceeding involving the validity  
58 or enforcement of, or relating to, any contract or obligation or  
59 act of the authority, be conclusively deemed to have been lawfully  
60 and properly created and authorized to transact business and ex-  
61 ercise its powers under this act. A copy of any certified ordinance  
62 or resolution, duly certified by or on behalf of the Secretary of  
63 State, shall be admissible in evidence in any suit, action or  
63A proceeding.

64 h. A copy of each order or resolution appointing any member  
65 of an authority pursuant to this section, duly certified by the  
66 appropriate officer, shall be filed in the office of the Secretary of  
67 State and the office of the Director of the Division of Local Gov-  
68 ernment Services. A copy of the certified order or resolution, duly  
69 certified by or on behalf of the Secretary of State, shall be admis-  
70 sible in evidence of the due and proper appointment of the member  
71 or members named therein.

1 5. The governing body of any municipality in which any trans-  
2 portation facility of the authority is located may annually appoint  
3 a resident of the municipality as its representative to the board.  
4 The representative shall not be a member or an officer of the au-  
5 thority, but shall participate in all meetings, activities and pro-  
6 ceedings of the board.



1 6. a. No county which shall create an authority pursuant to  
2 this act shall thereafter create any other county transportation  
3 authority, or utilize any other law for the provision of public trans-  
4 portation services which can be provided pursuant to this act, or  
5 create or join in the creation of any county parking authority pur-  
6 suant to the "Parking Authority Law," P. L. 1948, c. 198  
7 (C. 40:11A-1 et seq.) or P. L. 1972, c. 83 (C. 40:34A-1 et seq.), or  
8 any other law. No municipality or any other governmental entity  
9 within a county which shall create an authority pursuant to this  
10 act shall thereafter utilize any other law for the provision of public  
11 transportation services which can be provided pursuant to this act,  
12 nor create or join in the creation of any municipal parking authority  
13 pursuant to the "Parking Authority Law" or any other law.

14 b. If a county, or a municipality within a county which creates  
15 a county transportation authority pursuant to this act, shall have  
16 previously created a parking authority pursuant to the "Parking  
17 Authority Law" P. L. 1948, c. 198 (C. 40:11A-1 et seq.), P. L. 1972,  
18 c. 83 (C. 40:34A-1 et seq.), or any other law, that county or munici-  
19 pality shall provide, by ordinance or resolution, as appropriate,  
20 for the dissolution of the parking authority upon the effective date  
21 of the creation of the county transportation authority and for the  
22 transfer of the indebtedness and other obligations, and, except as  
23 herein provided, the property and assets of the parking authority  
24 to the county transportation authority. Any cash surplus accumu-  
25 lated by a municipal parking authority, not used in or necessary  
26 to the operations of the properties and projects of the parking au-  
27 thority, shall be transferred to the governing body of the munici-  
28 pality which established the parking authority.

29 The terms of office of any members appointed to the parking  
30 authority shall terminate immediately upon such effective date.  
31 The officer having custody of the funds of the parking authority  
32 shall deliver all funds in his possession into the custody of the  
33 municipal or county finance officer, who shall deliver all such funds,  
34 except any portion representing an accumulated cash surplus not  
35 used in or necessary to the operations and projects of the parking  
36 authority, into the custody of the proper fiscal officer of the county  
37 transportation authority. The municipal finance officer shall cause  
38 that portion of any funds received from the parking authority  
39 which represents an accumulated cash surplus to be deposited in  
40 the general fund of the municipality to be used for local purposes.  
41 The county transportation authority shall have the power to com-  
42 plete any work, service or improvement, and to confirm and col-

43 lect previously levied assessments, rates, and other charges, of the  
44 parking authority, which are incomplete, unconfirmed or uncollected  
45 on the effective date.

1 7. The county transportation authority, on or before July 10  
2 annually, shall organize and elect from among its members a vice-  
3 chairman, who shall hold office until his successor has been ap-  
4 pointed and qualified. The authority may also appoint a secretary,  
5 an executive director, and a fiscal officer, who need not be members,  
6 and determine their qualifications, terms of office, duties and com-  
7 pensation. The authority may also employ, without regard to  
8 Title 11 of the Revised Statutes, engineers, architects, attorneys,  
9 accountants, construction and financial experts, superintendents,  
10 managers and such other agents and employees as it may require,  
11 and determine their duties and compensation.

1 8. a. The powers of the authority shall be vested in the members  
2 thereof in office from time to time, and a majority of its members  
3 shall constitute a quorum at any meeting thereof. Action may be  
4 taken and motions and resolutions adopted by the authority at any  
5 meeting by a vote of a majority of the members, unless the bylaws  
6 of the authority shall require a larger number. No vacancy in the  
7 membership of the board shall impair the right of a quorum to  
8 exercise all the rights and perform all the duties of the board.

9 b. The minutes of every meeting of the authority shall be  
10 promptly delivered by and under the certification of the secretary  
11 to the chief executive officer of the county. No action taken at the  
12 meeting by the board shall be effective until approved by the chief  
13 executive officer or until 10 days after the copy of the minutes shall  
14 have been delivered. If in the 10-day period, the chief executive  
15 officer returns the copy of the minutes with a veto of any action  
16 taken by the board or any member thereof at the meeting, that  
17 action shall be of no effect. The chief executive officer may ap-  
18 prove all or any part of the action taken at that meeting prior to  
19 the expiration of the 10-day period. The veto powers accorded  
20 under this subsection shall not affect in any way the covenants  
21 contained in the bond indentures of the authority, nor any collective  
22 bargaining agreement or binding arbitration decision reached  
23 pursuant to this act.

1 9. The authority may reimburse its members for necessary ex-  
2 penses incurred in the discharge of their duties. The ordinance or  
3 resolution for the creation of the authority may authorize payment  
4 or compensation for service to members of the authority, other  
5 than the Commissioner of Transportation or the representative of  
6 the county government, within such annual or other limitations as

7 may be stated in the ordinance or resolution. Any such provision  
8 or limitation stated in the ordinance or resolution may be amended,  
9 supplemented, repealed or added by subsequent ordinance or  
10 resolution, as appropriate, but no reduction of the payment for  
11 compensation shall be effective during the remaining term of any  
12 member of the authority then in office, except upon that member's  
13 written consent. No member shall receive any payment or com-  
14 pensation of any kind from the authority except as authorized by  
15 this section.

1 10. No member, officer or employee of an authority shall have  
2 or acquire any interest, direct or indirect, in the transportation  
3 system or in any property included or planned to be included in the  
4 transportation system, or in any property adjacent to the trans-  
5 portation system which would directly benefit from that location,  
6 or in any contract or proposed contract for materials or services  
7 to be furnished to or used by the authority. No person who is an  
8 officer, director or employee of a holder of, or an applicant for, a  
9 casino license issued or to be issued under the "Casino Control  
10 Act" (P. L. 1977, c. 110; C. 5:12-1 et seq.) shall be a member or  
11 an officer of an authority created pursuant to this act.

1 11. The board meetings shall be subject to the provisions of the  
2 "Open Public Meetings Act," P. L. 1975, c. 231 (C. 10:4-6 et seq.).

1 12. The governing body of any county which has created an  
2 authority pursuant to this act may, by ordinance or resolution, as  
3 appropriate, dissolve that authority on the condition that: a. either  
4 the members of the authority have not been appointed or the  
5 authority by resolution has consented to its dissolution; and, b. the  
6 authority has no debts or obligations outstanding. A copy of the  
7 ordinance or resolution, as the case may be, for the dissolution of  
8 the authority pursuant to this section duly certified by the appro-  
9 priate officer of the county shall be filed in the office of the  
10 Secretary of State, and the Director of Local Government Services.  
11 Upon proof of the filing, and upon proof that either the authority  
12 had no debts or obligations outstanding at the time of the adoption  
13 of the ordinance or resolution, or all creditors or other obligees of  
14 the authority have consented to the ordinance, the authority shall  
15 be conclusively deemed to have been lawfully and properly dis-  
16 solved and the property of the authority shall be vested in the  
17 county adopting the ordinance or resolution, in the manner pre-  
18 scribed therein. A copy of the ordinance or resolution, duly certi-  
19 fied by or on behalf of the Secretary of State, shall be admissible  
20 in evidence in any action, or proceeding, and shall be conclusive  
21 evidence of proper filing.

1 13. The purpose of a county transportation authority shall be  
2 the improvement, establishment and development of parking and  
3 transportation facilities by or through the planning, design, acqui-  
4 sition, construction, improvement, maintenance or operation of any  
5 and all projects and facilities for the improvement and develop-  
6 ment of a modern, efficient and integrated transportation system,  
7 or directly related thereto, either directly or by agreement with  
8 any county, municipality or person, or in any other manner, which  
9 in the judgment of the authority will provide an effective and  
10 satisfactory method for promoting its purposes.

1 14. The authority shall prepare, or cause to be prepared, and,  
2 after public hearing, adopt a master plan for the development  
3 within the district of a transportation system. The authority may  
4 from time to time, after public hearing and pursuant to the proce-  
5 dures provided in this act, amend the master plan. The master plan  
6 shall include a report presenting the objectives, assumptions,  
7 standards and principles embodied in the various coordinated parts  
8 of the master plan. In preparing the master plan or any amend-  
9 ment thereto, the authority shall consult with the State Department  
10 of Transportation, the New Jersey Transit Corporation, and any  
11 other State or any Federal agency having an interest in the  
12 development of transportation in the district.

13 In preparing the master plan or any amendment thereto, the  
14 authority shall consider the existing and proposed patterns of  
15 land use development of municipalities within the district. In  
16 addition, the master plan shall contain the following elements:

17 a. An identification of existing and projected needs of the dis-  
18 trict for efficient, economical and integrated public transportation  
19 services, and proposed programs to provide and promote an  
20 efficient, economical and integrated transportation system to meet  
21 those needs;

22 b. An identification of the services, facilities and other elements  
23 to be acquired, constructed, leased, operated and provided within  
24 the transportation system, and a program for the acquisition, con-  
25 struction, lease, operation and provision of those services, facilities  
26 and other elements, which program may be timed by various  
27 stages for the development of the transportation system;

28 c. Plans for the preservation, improvement and expansion of the  
29 transportation system, with special emphasis on the coordination:  
30 (1) of transportation and parking facilities to be acquired, con-  
31 structed or leased; (2) of transportation services to be operated  
32 or provided; and, (3) of the use of rail rights of way, highways and  
33 public streets for transportation services;

34 d. Plans for the coordination of the activities of the authority  
35 with other public agencies and authorities; and,

36 e. An identification of existing parking and transportation facili-  
37 ties within the district to be acquired under this act.

38 The authority shall submit the master plan and any amendment  
39 thereto to such independent transportation planning agency as  
40 may be designated by the Commissioner of Transportation, or as  
41 shall be established by law, prior to the adoption thereof. The  
42 agency may approve, conditionally approve, or disapprove the  
43 master plan or amendment. If the agency shall approve the  
44 master plan or amendment, the authority may adopt the master  
45 plan or amendment as approved. If the agency shall disapprove  
46 the master plan or amendment, it shall return the master plan or  
47 amendment to the authority with its objections thereto. The  
48 authority shall resubmit the master plan or amendment to the  
49 agency with changes designed to conform the master plan or  
50 amendment with the objections of the agency. The agency shall  
51 approve the resubmitted master plan or amendment if it conforms  
52 with the objections, and the authority upon that approval shall  
53 then adopt the master plan or amendment as approved. If the  
54 agency shall conditionally approve the master plan or amendment,  
55 it shall return the master plan or amendment to the authority with  
56 the specific changes it requires therein for approval. The authority  
57 shall then make those specific changes in the master plan or amend-  
58 ment, and shall adopt the master plan or amendment with the  
59 changes.

60 Upon adoption, the master plan and any amendment thereof shall  
61 be filed with the Governor, the State Department of Transporta-  
62 tion, the New Jersey Transit Corporation, the governing body of  
63 the county, the governing body of the municipality having the  
64 largest population within the county, and the governing body of  
65 each municipality in which authority transportation or parking  
66 facilities are located.

1 15. In addition to the powers and duties conferred upon it else-  
2 where in this act, the authority may do all acts necessary and  
3 reasonably incident to carrying out the objectives of this act, in-  
4 cluding, but not limited to, the following:

5 a. To adopt and have a common seal and to alter it at pleasure;

6 b. To sue and be sued;

7 c. To acquire, hold, use and dispose of its charges and other  
8 revenues and other moneys in its own name;

9 d. In its own name, but for the county, to acquire, rent, hold, use  
10 and dispose of other personal property for the purposes of the  
11 authority, and to acquire by purchase, gift, condemnation or other-

12 wise, or lease as lessee, real property and easements therein,  
13 necessary or useful and convenient for the purposes of the au-  
14 thority, whether subject to mortgages, deeds of trust or other liens,  
15 or otherwise, and to hold and to use the same, and to dispose of  
16 property so acquired no longer necessary for the purposes of the  
17 authority;

18 e. To grant by franchise, lease or otherwise, the use of any  
19 project, facilities or property owned and controlled by it to any  
20 person for such consideration and for such period or periods of  
21 time and upon such other terms and conditions as it may fix and  
22 agree upon, including, but not limited to, the condition that the  
23 user shall or may construct or provide any buildings or structures  
24 or improvements on the project, facilities or property, or portions  
25 thereof;

26 f. To provide for and secure the payment of any bonds and the  
27 rights of the holders thereof, and to purchase, hold and dispose  
28 of any bonds;

29 g. To determine the exact location, type and character of and all  
30 matters in connection with all or any part of the transportation  
31 system which it is authorized to own, construct, establish, effectuate,  
32 operate, or control and to enter on any lands, waters or premises  
33 for the purpose of making such surveys, diagrams, maps or plans  
34 or for the purpose of making such soundings or borings as it deems  
35 necessary or convenient;

36 h. To make and enforce bylaws or rules and regulations for the  
37 management and regulation of its business and affairs and for the  
38 use, maintenance and operation of the transportation system and  
39 any other of its properties, and to amend the same; it shall publish  
40 the same and file them in accordance with the "Administrative  
41 Procedure Act", P. L. 1968, c. 410 (C. 52:14B-1 et seq.) with the  
42 Director of the Office of Administrative Law;

43 i. To acquire, purchase, construct, lease, operate, maintain and  
44 undertake any parking or transportation facility and to make  
45 service charges for the use thereof;

46 j. To call to its assistance and avail itself of the service of any  
47 employees of any Federal, State, county or municipal department,  
48 authority or other agency as it may require and as may be available  
49 to it for its purposes;

50 k. To plan, design, construct, equip, operate, improve and main-  
51 tain, either directly or by contract with any public or private  
52 entity, public transportation services, parking and transportation  
53 facilities or any parts or functions thereof, and other transporta-  
54 tion projects, or any parts or functions thereof;

55 l. To apply for, accept and expend money from any Federal,  
56 State or county or municipal agency or instrumentality, and from  
57 any private source; comply with Federal and State statutes, rules  
58 and regulations; and qualify for and receive all forms of financial  
59 assistance available under Federal law to assure the continuance  
60 of, or for the support or improvement of public transportation, and  
61 as may be necessary for that purpose to enter into agreements,  
62 including Federally required labor protective agreements;

63 m. To restrict the rights of persons to enter upon or construct  
64 any works in or upon any property owned or leased by the au-  
65 thority, except under such terms as the authority may prescribe,  
66 perform or contract for the performance of all acts necessary for  
67 the management, maintenance and repair of real or personal prop-  
68 erty leased or otherwise used or occupied pursuant to this act;

69 n. To set and collect fares and determine levels of service for  
70 service provided by the authority either directly or by contract,  
71 including, but not limited to, such reduced fare programs as deemed  
72 appropriate by the authority. Revenues derived from this service  
73 may be collected by the authority and shall be available to the au-  
74 thority for use in furtherance of any of the purposes of this act;

75 o. To set and collect rentals, fees, charges or other payments  
76 from the lease, use, occupancy or disposition of properties owned  
77 or leased by the authority. Such revenues shall be available to the  
78 authority for use in furtherance of any of the purposes of this act;

79 p. To deposit authority revenues in interest bearing accounts  
80 or in the State of New Jersey Cash Management Fund established  
81 pursuant to section 1 of P. L. 1977, c. 28 (C. 52:18A-90.4);

82 q. To procure and enter into contracts for any type of insurance  
83 and indemnify against loss or damage to property from any cause,  
84 including loss of use and occupancy, against death or injury of any  
85 person, against employees' liability, against any act of any member,  
86 officer, employee or servant of the authority, whether part-time,  
87 full-time, compensated or noncompensated, in the performance of  
88 the duties of his office or employment, or any other insurable risk.  
89 In addition, the authority may carry its own liability insurance;

90 r. To promote the use of authority services, coordinate ticket  
91 sales and passenger information and sell, lease or otherwise con-  
92 tract for advertising in or on the equipment or facilities of the  
93 authority.

94 s. To adopt and maintain employee benefit programs for em-  
95 ployees of the authority including, but not limited to, pension,  
96 deferred compensation, medical, disability, and death benefits, and

97 which programs may utilize insurance contracts, trust funds, and  
98 any other appropriate means of providing the stipulated benefits,  
99 and may involve new plans or the continuation of plans previously  
100 established by entities acquired by the authority;

101 t. To own, vote, and exercise all other rights incidental to the  
102 ownership of shares of the capital stock of any incorporated entity  
103 acquired by the authority pursuant to the powers granted by this  
104 act;

105 u. To apply for and accept, from appropriate regulatory bodies,  
106 authority to operate public transportation services where  
107 necessary;

108 v. To delegate to subordinate officers of the authority such  
109 powers and duties as the authority shall deem necessary and proper  
110 to carry out the purposes of this act; and,

111 w. To enter into any contracts, execute any instruments, and do  
112 and perform any acts or things necessary, convenient or desirable  
113 for the purposes of the authority or to carry out any power  
114 expressly given in this act, subject to sections 16 and 17 of this act.

1 16. a. All purchases, contracts or agreements pursuant to this  
2 act shall be made or awarded directly by the authority, except as  
3 otherwise provided herein, only after public advertisement for bids  
4 therefor, in the manner provided in this act, notwithstanding the  
5 provisions to the contrary of the "Local Public Contracts Law,"  
6 P. L. 1971, c. 198 (C. 40A:11-1 et seq.).

7 b. Whenever advertising is required: (1) specifications and in-  
8 vitations for bids shall permit such full and free competition as is  
9 consistent with the procurement of supplies and services necessary  
10 to meet the requirements of the authority; (2) the advertisement  
11 for bids shall be in such newspaper or newspapers selected by the  
12 authority as will best give notice thereof to bidders and shall be  
13 sufficiently in advance of the purchase or contract to promote com-  
14 petitive bidding; (3) the advertisement shall designate the time  
15 and place when and where sealed proposals shall be received and  
16 publicly opened and read, the amount of the cash, certified check,  
17 cashiers check or bank check, if any, which shall accompany each  
18 bid, and such other terms as the authority may deem proper.

19 c. The authority may reject any or all bids not in accord with  
20 the advertisement of specifications, or may reject any or all bids  
21 if the price of the work materials is excessively above the estimate  
22 cost or when the authority shall determine that it is in the public  
23 interest to do so. The authority shall prepare a list of the bids,  
24 including any rejected and the cause therefor. The authority may



25 accept bids containing minor informalities. Awards shall be made  
26 by the authority with reasonable promptness by written notice to  
27 the responsible bidder whose bid, conforming to the invitation for  
28 bids, will be the most advantageous to the district, price and other  
29 factors considered.

30 d. A proposal bond equal to at least 50% of the bid executed by  
31 the contractor with such sureties as shall be approved by the au-  
32 thority in its favor, shall accompany each bid and shall be held as  
33 security for the faithful performance of the contractor in that, if  
34 awarded the contract, the bidder will deliver the contract within  
35 10 working days after the award, properly executed and secured  
36 by satisfactory bonds in accordance with the provisions of N. J. S.  
37 2A:44-143 through N. J. S. 2A:44-147 and specifications for the  
38 project. The authority may require in addition to the proposal  
39 bond such additional evidence of the ability of a contractor to per-  
40 form the work required by the contract as it may deem necessary  
41 or advisable. All proposal bonds which have been delivered with  
42 the bids, except those of the two lowest responsible bidders, shall  
43 be returned within 30 days after such bids are received.

44 e. If the bidder fails to provide a satisfactory proposed bond as  
45 provided in subsection d. of this section, his bid shall be rejected.

46 f. The authority shall determine the terms and conditions of the  
47 various types of agreements or contracts, including provisions for  
48 adequate security, the time and amount or percentage of each pay-  
49 ment thereon and the amount to be withheld pending completion  
50 of the contract, and it shall issue and publish rules and regulations  
51 concerning such terms and conditions, standard contract forms and  
52 such other rules and regulations concerning purchasing or pro-  
53 curement, not inconsistent with any applicable law, as it may deem  
54 advisable to promote competition and to protect the public interest.

55 g. The authority shall require that all persons proposing to sub-  
56 mit bids on improvements to capital facilities and equipment shall  
57 first be classified by the authority as to the character and amount  
58 of work on which they shall be qualified to submit bids. Bids shall  
59 be accepted only from persons qualified in accordance with such  
60 classification.

1 17. Any purchase, contract or agreement pursuant to subsection  
2 a. of section 16 may be made, negotiated or awarded by the au-  
3 thority without advertising under the following circumstances:

4 a. When the aggregate amount involved does not exceed  
5 \$7,500.00; or

6 b. In all other cases when the authority seeks to:

7 (1) Acquire public or private entities engaged in the provision  
8 of public transportation services, used public transportation equip-  
9 ment or existing transportation facilities or rights of way; or

10 (2) Acquire subject matter consisting of: services to be per-  
11 formed by the contractor personally which are of a technical and  
12 professional nature; the purchase of perishable foods or subsistence  
13 supplies; the lease of such office space, office machinery, specialized  
14 equipment, buildings or real property as may be required for the  
15 conduct of the authority's business; the acquisition of any real  
16 property by gift, grant, purchase or any other lawful manner in  
17 the name of and for the use of the authority for the purpose of the  
18 administration of the authority's business; or, supplies or services  
19 for which the bid prices after advertising therefor are not reason-  
20 able or have not been independently arrived at in open competition,  
21 but no negotiated purchase, contract or agreement may be entered  
22 into after the rejection of all bids received unless (a) notification  
23 of the intention to negotiate and reasonable opportunity to negoti-  
24 ate shall have been given by the authority to each responsible bid-  
25 der, (b) the negotiated price is lower than the lowest rejected bid  
26 price of a responsible bidder, and (c) such negotiated price is the  
27 lowest negotiated price offered by any responsible supplier;

28 (3) Make a purchase or award, or make a contract or agreement  
29 under any of the following circumstances: the purchase is to be  
30 made from, or the contract to be made with, the Federal or State  
31 government or any agency or political subdivision thereof; the  
32 public exigency requires the immediate delivery of the articles or  
33 the performance of the service; only one source of supply is avail-  
34 able; more favorable terms can be obtained from a primary source  
35 of supply; articles of wearing apparel are to be purchased which  
36 are styled or seasonal in character; commodities traded on a na-  
37 tional commodity exchange are to be purchased and fluctuations of  
38 the market require immediate action; or, the equipment to be pur-  
39 chased is of a technical nature and the procurement thereof with-  
40 out advertising is necessary in order to assure standardization of  
41 equipment and interchangeability of parts in the public interest; or,

42 (4) Contract pursuant to section 20 or section 44 of this act.

1 18. The authority may enter into contracts with any public or  
2 private entity for the provision of adequate public transportation  
3 and parking facilities; but with the exception of marine and air  
4 passenger service, the authority may not contract for public trans-  
5 portation services beyond the district without the written con-  
6 sent of the New Jersey Transit Corporation created under P. L.

7 1979, c. 150 (C. 27:25-1 et seq.) and the Commissioner of Trans-  
8 portation unless the services were provided or authorized to be  
9 provided by a public or private entity acquired by the authority  
10 and only to the extent that the acquired entity is providing or is  
11 authorized to provide the services.

1 19. The authority shall not submit any application for Federal  
2 funding for the operation and improvement of public transporta-  
3 tion and parking facilities under the Urban Mass Transportation  
4 Act of 1964, P. L. §§ 88-365 (49 U. S. C. §§ 1601 et seq.), or any  
5 successor or additional Federal law having substantially the same  
6 or similar purposes or functions, or any other Federal law provid-  
7 ing financial assistance for transportation systems, unless the proj-  
8 ect and the project application have been first approved by the  
9 Commissioner of Transportation.

1 20. a. Every authority may enter into contracts with any  
2 public or private entity to operate rail passenger service or por-  
3 tions or functions thereof. Where appropriate, payments by the  
4 authority for services contracted for under this section shall be  
5 determined in accordance with the Federal Regional Rail Reorga-  
6 nization Act of 1973 (45 U. S. C. §§ 701 et seq.), the Federal Rail  
7 Passenger Service Act of 1970 (45 U. S. C. §§ 501 et seq.), any other  
8 applicable Federal law, and any and all rules, regulations and  
9 standards, promulgated thereunder and decisions issued pursuant  
10 thereto. In all other cases, payments shall be by agreement upon  
11 such terms and conditions as the authority shall deem necessary.

12 b. Every authority may enter into contracts with any public or  
13 private entity to operate motorbus regular route, paratransit or  
14 motorbus charter services or portions or functions thereof. Pay-  
15 ments shall be by agreement upon such terms and conditions as the  
16 authority shall deem necessary.

17 c. Every authority may enter into contracts with any public or  
18 private entity to operate marine passenger services and air  
19 passenger services or portions or functions thereof. Payments  
20 shall be by agreement upon such terms and conditions as the au-  
21 thority shall deem necessary.

1 21. Every authority which acquires a public or private entity  
2 engaged in the provision of motorbus regular route service which,  
3 at the time of acquisition provides school bus services may con-  
4 tinue to provide the services only to the extent that the acquired  
5 entity is providing or is authorized to provide the service.

1 22. Every authority may prescribe, and from time to time  
2 when necessary, revise a schedule of all its facility and service  
3 charges. The charges fixed, charged and collected shall comply with

4 the terms of any contract of the authority and may be so adjusted  
5 that the revenues of the authority shall at all times be adequate to  
6 pay the expenses of operation and maintenance of transportation  
7 system, including reserves, insurance, improvements, replacements,  
8 and other required payments, and to pay the principal of and inter-  
9 est on any bonds and to maintain such reserves or sinking funds  
10 therefor as may be required by the terms of any contract of the au-  
11 thority or as may be deemed necessary or desirable by the authority.  
12 A copy of the schedule of service and facility charges in effect shall  
13 be a public record and shall be filed with the New Jersey Transit  
14 Corporation and the Department of Transportation.

1 23. Any municipality or county shall have power, in the discre-  
2 tion of its governing body, to appropriate moneys for the purposes  
3 of the authority, and to loan or donate the moneys to the authority  
4 in such installments and upon such terms as may be agreed upon  
5 with the authority.

1 24. a. The authority shall not be considered a public utility as  
2 defined in R. S. 48:2-13 and except with regard to subsection c. of  
3 this section the provisions of Title 48 of the Revised Statutes shall  
4 not apply to the authority.

5 b. The powers given the authority pursuant to section 15 of this  
6 act with respect to fares and service, shall be exercised without  
7 regard or reference to the jurisdiction vested in the Department  
8 of Transportation by R. S. 48:2-21, 48:2-24 and 48:4-3. The  
9 Department of Transportation shall resume jurisdiction over  
10 service and fares upon the termination and discontinuance of a  
11 contractual relationship between the authority and a private or  
12 public entity relating to the provision of public transportation  
13 services operated under the authority of certificates of public con-  
14 venience and necessity previously issued by the department or its  
15 predecessors; provided, however, that no private entity shall be  
16 required to restore any service discontinued or any fare changed  
17 during the existence of a contractual relationship with the au-  
18 thority, unless the Department of Transportation shall determine,  
19 after notice and hearing, that the service or fare is required by  
20 public convenience and necessity.

21 c. Notwithstanding any other provisions of this act, all vehicles  
22 used by any public or private entity pursuant to contract authorized  
23 by this act, and all vehicles operated by the authority directly, shall  
24 be subject to the jurisdiction of the Department of Transportation  
25 with respect to maintenance, specifications and safety to the same  
26 extent that jurisdiction is conferred upon the department by Title  
27 48 of the Revised Statutes.

28 d. Before implementing any fare increase for any motorbus  
29 regular route services, rail passenger services, paratransit services,  
30 or marine or air passenger services, or the substantial curtailment  
31 or abandonment of any those services, the authority shall hold a  
32 public hearing in the area affected during evening hours. Notice of  
33 the hearing shall be given by the authority at least 15 days prior to  
34 the hearing to the governing body of the county and the governing  
35 body of each municipality within the district whose residents will  
36 be affected and to the clerk of each county or counties whose resi-  
37 dents will be affected. The notice shall also be posted at least 15  
38 days prior to the hearing in prominent places on the railroad cars,  
39 buses, and other facilities used for the carriage of passengers serv-  
40 ing the routes to be affected.

1 25. In any proceeding before the Department of Transportation  
2 for decreasing or abandoning service any contract payments offered  
3 by the authority for continuing service shall be considered as  
4 available revenues by the department in making any determination  
5 on the petition.

1 26. a. The authority shall, by October 1 of each year, file with  
2 the Commissioner of Transportation a report in such format and  
3 detail as the commissioner may require setting forth the actual  
4 financial, operational and capital results of the previous fiscal  
5 year and a proposed operational, capital and financial plan for the  
6 next ensuing fiscal year or any other appropriate period.

7 b. On or before October 31 of each year, the authority shall make  
8 an annual report of its activities for the preceding fiscal year to the  
9 Governor, to the governing body of the county, the governing body  
10 of the municipality having the largest population within the county,  
11 to the governing body of each municipality in which authority  
12 transportation or parking facilities are located, and to the presiding  
13 officers and the Transportation and Communications Committees  
14 of both Houses of the Legislature. Each report shall set forth a  
15 complete operating and financial statement covering its operations  
16 and capital projects during the year.

17 c. Records of minutes, accounts, bills, vouchers, contracts or  
18 other papers connected with or used or filed with the authority or  
19 with any officer or employee acting for or in its behalf are declared  
20 to be public records and shall be open to public inspection in accord-  
21 ance with P. L. 1963, c. 73 (C. 47:1A-1 et seq.) and regulations  
22 prescribed by the authority.

23 d. The authority shall cause an audit of its books and accounts  
24 to be made at least once each year by certified public accountants  
25 and the cost thereof may be treated as a cost of operation. The

26 audit shall be filed within 4 months after the close of the fiscal year  
27 of the authority and certified duplicate copies thereof shall be filed  
28 with the office of the chief finance officer of the county, the Depart-  
29 ment of Transportation, the Director of the Division of Local  
30 Government Services and the office of the chief finance officer of  
31 each municipality in which authority transportation or parking  
32 facilities are located.

33 e. Notwithstanding the provisions of any law to the contrary, the  
34 State Auditor or his legally authorized representative may examine  
35 the accounts and books of the authority.

36 f. The authority shall not implement any plans set forth in the  
37 annual fiscal report required to be submitted pursuant to subsec-  
38 tion a. of this section prior to the approval of the Commissioner  
39 of Transportation of that report. If the report is not disapproved  
40 within 60 days of its submission to the commissioner, the report  
41 shall be deemed to be approved. Any report, which is disapproved  
42 pursuant to this subsection, may be resubmitted to the commissioner  
43 and shall be deemed to be approved if not disapproved within  
44 20 days of resubmission.

1 27. For the purpose of raising funds to pay the cost of any part  
2 of its transportation system or for the purpose of funding or  
3 refunding any bonds, a county transportation authority may autho-  
4 rize or provide for the issuance of bonds pursuant to this act,  
5 by resolution which shall:

6 a. Describe in brief and general terms sufficient for reasonable  
7 identification the transportation system or part thereof to be  
8 constructed or acquired, or describe the bonds which are to be  
9 funded or refunded;

10 b. State the cost or estimated cost of the project; and,

11 c. Provide for the issuance of the bonds in accordance with  
12 section 28 of this act.

13 Any bond resolution proposed for adoption pursuant to this  
14 section shall be submitted prior to adoption to the Local Finance  
15 Board for its review and approval. The Local Finance Board shall  
16 approve the proposed bond resolution if it determines that the cost  
17 of the project has been accurately determined, that the method  
18 proposed for the funding of the project cost, proposed or maximum  
19 terms and provisions of the financing and of any proposed financ-  
20 ing agreement are reasonable and feasible, and would not impose  
21 any undue financial burden on the residents of the district, and  
22 would not materially impair the ability of the authority to pay  
23 promptly the principal of and interest on the outstanding indebted-  
24 ness of the authority or to provide existing public transportation

25 services. If the proposed bond resolution is not disapproved within  
 26 90 days of its submission to the Local Finance Board, the proposed  
 27 resolution shall be deemed to be approved, and the authority may  
 28 proceed to adopt the same. The authority shall not adopt any  
 29 bond resolution which is disapproved by the Local Finance Board  
 30 within the 90 days, but may resubmit the bond resolution to the  
 31 board with such changes as the authority deems appropriate, and  
 32 the review and approval of the resubmitted resolution shall be  
 33 subject to the limitations set forth above.

1 28. Upon the adoption of a bond resolution, a county trans-  
 2 portation authority may incur indebtedness, borrow money and  
 3 issue its bonds for the purpose of financing the project or of  
 4 funding or refunding its bonds. The bonds shall be authorized by  
 5 the bond resolution and may be issued in one or more series and  
 6 shall bear such date or dates, mature at such time or times not ex-  
 7 ceeding the period or average period of usefulness determined in  
 8 the resolution, bear interest at such rate or rates, be in such denomi-  
 9 nation or denominations, be in such form, either coupon or regis-  
 10 tered, carry such conversion or registration privileges, have such  
 11 rank or priority, be executed in such manner, be payable from such  
 12 sources, in such medium of payment, at such place or places within  
 13 or without the State, and be subject to such terms or redemption,  
 14 with or without premium, all as the bond resolution may provide.  
 15 The authority may issue the types of bonds as it may determine,  
 16 including, but not limited to, bonds on which the principal and  
 17 interest are payable: a. exclusively from the income and revenues  
 18 of the project financed with the proceeds of the bonds; b. exclu-  
 19 sively from the income and revenues of certain designated projects  
 20 whether or not they are financed in whole or in part with the  
 21 proceeds of the bonds; or c. its revenues generally. The bonds may  
 22 be additionally secured by a pledge of any grant or contributions  
 23 from the Federal Government, the State, county or any munici-  
 24 pality or a pledge of any income or revenues of the authority,  
 25 including income or revenues to be received pursuant to grant or  
 26 lease by the authority of the use or services of any facility owned or  
 27 controlled by it. This act shall be complete authority, and the provi-  
 28 sions of any other law shall not apply to the issuance of the bonds.

1 29. Bonds of a county transportation authority may be sold by  
 2 the authority at public or private sale at such price or prices as  
 3 the authority shall determine, but the interest cost to maturity of  
 4 the money received for any issue of bonds shall not exceed that  
 5 specified in the bond resolution.

1 30. The county transportation authority shall cause a copy  
 2 of any bond resolution adopted by it to be filed for public in-  
 3 spection in its office and in the office of the clerk of the governing  
 4 bodies of the counties and municipalities within the district, and  
 5 shall thereupon cause to be published, at least once, in a newspaper,  
 6 published or circulating in the district a notice stating the fact and  
 7 date of the adoption and the places where the bond resolution has  
 8 been filed for public inspection; the date of the first publication of  
 9 the notice; and, that any action or proceeding of any kind or nature  
 10 in any court questioning the validity or proper authorization of  
 11 bonds provided for by the bond resolution, or the validity of any  
 12 covenants, agreements or contracts provided for by the bond resolu-  
 13 tion, shall be commenced within 20 days after the first publication  
 14 of notice. If the notice shall be so published, and if no action or  
 15 proceeding questioning the validity or proper authorization of  
 16 bonds provided for by the bond resolution referred to in the notice,  
 17 or the validity of any covenants, agreements or contracts provided  
 18 for by the bond resolution, shall be commenced or instituted within  
 19 20 days after the first publication of the notice, then all residents  
 20 and taxpayers and owners of property in the district and users  
 21 of the transportation system and all other persons whatsoever  
 22 shall be forever barred and foreclosed from instituting or com-  
 23 mencing any action or proceeding in any court, or from pleading  
 24 any defense to any action or proceeding, questioning the validity  
 25 or proper authorization of the bonds, or the validity of the cove-  
 26 nants, agreements or contracts, and the bonds, covenants, agree-  
 27 ments and contracts shall be conclusively deemed to be valid and  
 28 binding obligations in accordance with their terms and tenor.

1 31. Any bond resolution of a county transportation authority  
 2 providing for or authorizing the issuance of any bonds may contain  
 3 provisions, and the authority, in order to secure the payments  
 4 of the bonds and in addition to its other powers, may, by provision  
 5 in the bond resolution, covenant with the several holders of the  
 6 bonds, as to:

7 a. The custody, security, use, expenditure or application of the  
 8 proceeds of the bonds;

9 b. The construction and completion, or replacement, of all or  
 10 any part of the transportation system;

11 c. The use, regulation, operation, maintenance, insurance or  
 12 disposition of all or any part of the transportation system, or  
 13 restrictions on the exercise of the powers of the authority to  
 14 dispose or to limit or regulate the use of all or any part of the  
 15 transportation system;



16 d. Payment of the principal of or interest on the bonds, or any  
17 other obligations, and the sources and methods thereof, the rank  
18 or priority of the bonds or obligations as to any lien or security, or  
19 the acceleration of the maturity of the bonds or obligations;

20 e. The use and disposition of any moneys of the authority,  
21 including revenues derived or to be derived from the operation of  
22 all or any part of the transportation system, including any parts  
23 thereof theretofore constructed or acquired and any parts, exten-  
24 sions, replacements or improvements thereof thereafter constructed  
25 or acquired;

26 f. Pledging, setting aside, depositing or trusteeing all or any part  
27 of the revenues or other moneys of the authority to secure the  
28 payment of the principal of or interest on the bonds or any other  
29 obligations or the payment of expenses of operation or maintenance  
30 of the transportation system, and the powers and duties of any  
31 trustee with regard thereto;

32 g. The setting aside out of the revenues or other moneys of the  
33 authority of reserves and sinking funds, and the source, custody,  
34 security, regulation, application and disposition thereof;

35 h. Determination or definition of the revenues or of the expenses  
36 of operation and maintenance of the transportation system;

37 i. The rents, rates, fees, or other charges in connection with or  
38 for the use of the transportation system, including any parts  
39 thereof theretofore constructed or acquired and any parts, exten-  
40 sions, replacements or improvements thereof thereafter constructed  
41 or acquired, and the fixing, establishment, collection and enforce-  
42 ment of the same, the amount or amounts of revenues to be pro-  
43 duced thereby, and the disposition and application of the amounts  
44 charged or collected;

45 j. The assumption or payment or discharge of any indebtedness,  
46 liens or other claims relating to any part of the transportation  
47 system or any obligations having or which may have a lien on  
48 any part of the revenues;

49 k. Limitations on the issuance of additional bonds or any other  
50 obligations or on the incurrence of indebtedness of the authority;

51 l. Limitations on the powers of the authority to construct,  
52 acquire or operate, or to consent to the construction, acquisition or  
53 operation of, any structures, facilities or properties which may  
54 compete or tend to compete with the transportation system, except  
55 these limitations may not be imposed without the consent of the  
56 New Jersey Transit Corporation;

57 m. Vesting in a trustee or trustees such property, rights, powers  
58 and duties in trust as the authority may determine, which may

59 include any or all of the rights, powers and duties of the trustee  
60 appointed by the holders of bonds pursuant to section 32 of this  
61 act, and limiting or abrogating the right of the holders to appoint  
62 a trustee pursuant to section 32 or limiting the rights, duties and  
63 powers of the trustee:

64 n. The procedure, if any, by which the terms of any covenant or  
65 contract with, or duty to, the holders of bonds may be amended  
66 or abrogated, the amount of bonds the holders of which the consent  
67 thereto, and the manner in which the consent may be given or  
68 evidenced; or

69 o. Any other matter or course of conduct which, by recital in the  
70 bond resolution, is declared to further secure the payment of the  
71 principal of or interest on the bonds and to be part of any covenant  
72 or contract with the holders of the bonds.

73 These provisions of the bond resolution and covenants and  
74 agreements shall constitute legally binding contracts between the  
75 authority and the several holders of the bonds, regardless of the  
76 time of issuance of the bonds, and shall be enforceable by the  
77 holder or holders by appropriate action, suit or proceeding in any  
78 court of competent jurisdiction.

1 32. a. If the bond resolution of a county transportation au-  
2 thority authorizing or providing for the issuance of a series of its  
3 bonds shall provide in substance that the holders of the bonds of  
4 that series shall be entitled to the benefits of this section, and if there  
5 shall be a default in the payment of principal of or interest on  
6 any bonds of that series after the same shall become due, whether  
7 at maturity or upon call for redemption, and if that default shall  
8 continue for a period of 30 days, or if the authority shall fail or  
9 refuse to comply with any of the provisions of this act or shall  
10 fail or refuse to carry out and perform the terms of any contract  
11 with the holders of the bonds, and if the failure or refusal shall  
12 continue for a period of 30 days after written notice to the authority  
13 of its existence and nature, the holders of 25% in aggregate princi-  
14 pal amount of the bonds of that series then outstanding by instru-  
15 ment or instruments filed in the office of the Secretary of State and  
16 proved or acknowledged in the same manner as a deed to be re-  
17 corded, may appoint a trustee to represent the holders of the bonds  
18 of that series for the purposes provided in this section.

19 b. The trustee may and upon written request of the holders of  
20 25% in aggregate principal amount of the bonds of that series then  
21 outstanding shall, in his or its own name:

22 (1) By any action, or other proceeding, enforce all rights of the  
23 holders of the bonds, including the right to require the authority

24 to charge and collect facility or service charges adequate to carry  
25 out any contract as to, or pledge of, revenues, and to require the  
26 authority to carry out and perform the terms of any contract with  
27 the holders of the bonds or its duties under this act;

28 (2) Bring an action upon all or any part of the bonds or interest  
29 coupons or claims appurtenant thereto;

30 (3) By action, require the authority to account as if it were the  
31 trustee of an express trust for the holders of the bonds;

32 (4) By action, enjoin any acts or things which may be unlawful  
33 or in violation of the rights of the holders of the bonds; or,

34 (5) Declare the bonds due and payable, whether or not in ad-  
35 vance of maturity, upon 30 days' prior notice in writing to the  
36 authority and, if all defaults shall be made good, then with the  
37 consent of the holders of 25% of the principal amount of the bonds  
38 then outstanding, annul the declaration and its consequences.

39 c. The trustee shall, in addition to the foregoing, have all of  
40 the powers necessary or appropriate for the exercise of the func-  
41 tions specifically set forth herein or incident to the general repre-  
42 sentation of the holders of bonds of that series in the enforcement  
43 and protection of their rights.

44 d. In any action or proceeding by the trustee, the fees, counsel  
45 fees and expenses of the trustee and of the receiver, if any, ap-  
46 pointed pursuant to this act, shall, if allowed by the court, consti-  
47 tute taxable costs and disbursements, and all costs and disburse-  
48 ments, allowed by the court, shall be a first charge upon any facility  
49 and service charges and revenues of the authority pledged for the  
50 payment or security of bonds of that series.

1 33. If the bond resolution of a county transportation authority  
2 authorizing or providing for the issuance of a series of its bonds  
3 shall provide in substance that the holders of the bonds of that  
4 series shall be entitled to the benefits of section 32 of this act and  
5 shall further provide in substance that any trustee appointed pur-  
6 suant to that section or having the powers of such a trustee shall  
7 have the powers provided by this section, then the trustee, whether  
8 or not all of the bonds of the series shall have been declared due  
9 and payable, shall be entitled to the appointment of a receiver of  
10 the transportation system, and the receiver may enter upon and  
11 take possession of the transportation system and, subject to any  
12 pledge or contract with the holders of the bonds, shall take posses-  
13 sion of all moneys and other property derived from or applicable to  
14 the acquisition, construction, operation, maintenance or reconstruc-  
15 tion which the authority is under any obligation to do, and operate,

16 maintain and reconstruct the transportation system and fix, charge,  
17 collect, enforce and receive the facility and service charges and all  
18 revenues thereafter arising subject to any pledge thereof or con-  
19 tract with the holders of the bonds relating thereto, and perform  
20 the public duties and carry out the contracts and obligations of  
21 the authority in the same manner as the authority itself might do  
22 and under the direction of the court.

1 34. Neither the members of the county transportation authority  
2 nor any person executing bonds issued pursuant to this act shall  
3 be liable personally on the bonds by reason of the issuance thereof.  
4 Bonds or other obligations issued by the authority pursuant to  
5 this act shall not be a debt or liability of the State or of any  
6 county or municipality and shall not create or constitute any in-  
7 debtedness, liability or obligation of the State or of any county or  
8 municipality. Nothing contained in this act shall be construed to  
9 authorize any county transportation authority to incur any indebt-  
10 edness on behalf of or to obligate the State or any county or mu-  
11 nicipality.

1 35. Notwithstanding the provisions of any law to the contrary,  
2 any bond or other obligation issued pursuant to this act shall be  
3 fully negotiable within the meaning and for all purposes of the  
4 negotiable instruments law of the State, and each holder or owner  
5 of such a bond or other obligation, or of any coupon appurtenant  
6 thereto, by accepting the bond, obligation or coupon shall be con-  
7 clusively deemed to have agreed that the bond, obligation or coupon  
8 is and shall be fully negotiable within the meaning and for all  
9 purposes of the negotiable instruments law.

1 36. a. The authority may acquire by purchase, condemnation,  
2 lease, gift or otherwise, on terms and conditions and in the manner  
3 it deems proper, for use by the authority or for use by any other  
4 public or private entity providing rail passenger, motorbus regular  
5 route, paratransit, marine passenger, air passenger or motorbus  
6 charter services, all or part of the facility, plant, equipment, prop-  
7 erty, shares of stock, rights of property, reserve funds, employees  
8 pension or retirement funds, special funds, franchises, licenses,  
9 patents, permits and papers, documents and records of a public or  
10 private entity providing that service within the district.

11 b. The authority may acquire by purchase, condemnation, lease,  
12 gift or otherwise, on the terms and conditions and in the manner  
13 it deems proper, any land or property real or personal, tangible  
14 or intangible which it may determine is reasonably necessary for  
15 the purposes of the authority under the provisions of this act.

16 c. (1) The authority, when acquiring property pursuant to sub-  
 17 sections a. or b. of this section shall exercise its power of eminent  
 18 domain in accordance with the provisions of the "Eminent Domain  
 19 Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.).

20 (2) As used in this act, the definition of property in section 2 of  
 21 P. L. 1971, c. 361 (C. 20:3-2) includes all property referred to in  
 22 subsections a. or b. of this section, and the provisions of P. L.  
 23 1971, c. 361 shall apply to that property.

24 d. (1) If the authority shall determine to acquire by condemnation  
 25 all outstanding shares of corporate stock of a company, and if the  
 26 stock is owned by 10 or more individuals or entities, the court, on  
 27 application of the authority, shall appoint a trustee who shall act  
 28 as representative of all stockholders for the purpose of the con-  
 29 demnation proceedings. Upon the appointment of a trustee, the  
 30 authority may file a single condemnation action condemning all  
 31 outstanding shares of stock and naming the appointed trustee as  
 32 representative of all defendant owners.

33 (2) When a trustee has been appointed pursuant to this section,  
 34 the court may award the trustee a reasonable fee as payment for  
 35 services rendered. Other costs, expenses and fees shall be paid from  
 36 the proceeds of the condemnation award or settlement if amicably  
 37 resolved.

38 e. A State agency, State authority, county, municipality, bistate  
 39 authority, or other political subdivision of the State is authorized  
 40 to donate, give, transfer or assign any asset or property it now  
 41 owns or may hereafter acquire to the authority which may be  
 42 necessary for the furtherance of the objectives of this act.

43 f. Upon the filing of a declaration of taking the authority shall  
 44 be entitled to the immediate possession of all property and assets  
 45 named therein; and in the case of a condemnation pursuant to  
 46 subsection d. or the acquisition of the entire assets of any entity,  
 47 the authority shall be entitled to immediate possession and control  
 48 of all assets and facilities and shall have exclusive management  
 49 authority over the entity taken.

1 37. a. As used in this section:

2 (1) "Employee" means:

3 (a) An employee of the authority; or,

4 (b) An employee of any public or private entity acquired, owned,  
 5 or operated by the authority.

6 "Employee" does not include an employee of a public or private  
 7 entity, other than as provided in subsection f. and in (a) and (b)  
 8 above, which provides public transportation services pursuant to  
 9 operating rights granted by a regulatory body or pursuant to au-

10 thority arising from contractual agreements entered into with  
11 the authority pursuant to section 20 of this act. Except as  
12 provided in subsection g. of this section, "employee" does not in-  
13 clude a supervisory employee as defined under the "Labor Manage-  
14 ment Relations Act, 1947" (29 U. S. C. §§ 141 et seq.) or a man-  
15 agerial executive or confidential employee as defined under the  
16 "New Jersey Employer-Employee Relations Act," P. L. 1941, c. 100  
17 (C. 34:13A-1 et seq.).

18 (2) "Employer" means an employer of an employee.

19 (3) "Acquisition by the authority of a public or private entity  
20 which provides public transportation services," or words of like  
21 import, mean an acquisition effected by a purchase or condemna-  
22 tion of all, or a controlling interest in, the stock or other equity  
23 interest of the entity, or purchase or condemnation of all or sub-  
24 stantially all of the assets of the entity.

25 b. In accordance with law, employees of the employer shall have  
26 and retain their rights to form, join or assist labor organizations  
27 and to negotiate collectively through exclusive representatives of  
28 their own choosing.

29 c. The enforcement of the rights and duties of the employer and  
30 employees shall be governed by the "New Jersey Employer-Em-  
31 ployee Relations Act" P. L. 1941, c. 100 (C. 34:13A-1 et seq.) and  
32 shall be within the jurisdiction of the Public Employment Relations  
33 Commission established pursuant to that act. In carrying out this  
34 function, the commission shall be guided by the relevant Federal  
35 or State labor law and practices, as developed under the "Labor  
36 Management Relations Act, 1947" or under the "Railway Labor  
37 Act," (45 U. S. C. §§ 151 et seq.); except, employees shall not have  
38 the right to strike except as provided by the "Railway Labor Act."  
39 Whenever negotiations between the employer and an exclusive re-  
40 presentative concerning the terms and conditions of employment  
41 shall reach an impasse, the commission shall, upon the request of  
42 either party, take such steps as it may deem expedient to effect a  
43 voluntary resolution of the impasse, including the assignment of a  
44 mediator. In the event of a failure to resolve the impasse by media-  
45 tion, the commission shall, at the request of either party, invoke  
46 fact finding with recommendations for settlement of all issues in  
47 dispute. Fact-finding shall be limited to those issues that are within  
48 the required scope of negotiations. In the event of a continuing  
49 failure to resolve an impasse by means of the procedure set forth  
50 above, and notwithstanding the fact that these procedures have not  
51 been exhausted, but not later than 30 days prior to the expiration  
52 of a collectively negotiated contract, the procedures set forth in

53 paragraph (2) of subsection c. of section 3 and sections 4 through  
54 8 of P. L. 1977, c. 85 (34:13A-16d. (2) through 34:13A-21) shall be  
55 the sole method of dispute resolution, unless the parties mutually  
56 agree upon an alternative form of arbitration;

57 d. The majority representative of employees in an appropriate  
58 unit shall be entitled to act for, and negotiate successor agreements  
59 covering, all employees in the unit and shall be responsible for  
60 representing the interests of those employees without discrimina-  
61 tion. It shall be the mutual obligation of the employer and the  
62 majority representative of any of its employees to negotiate collec-  
63 tively with respect to mandatorily negotiable subjects which inti-  
64 mately and directly affect the work and welfare of employees.  
65 These subjects include wages, hours of work, the maintenance of  
66 union security and check-off arrangements, pensions, and other  
67 terms and conditions of employment. The obligation to negotiate  
68 in good faith encompasses the responsibility to meet at reasonable  
69 times and to confer on matters properly presented for negotiations  
70 and to execute a written contract containing an agreement reached,  
71 but the obligation does not compel either party to agree to a pro-  
72 posal or require the making of a concession.

73 e. In acquiring, operating, or contracting for the operation of  
74 public transportation services, the authority shall make provision  
75 to assure continuing representation for collective negotiations on  
76 behalf of employees, giving due consideration to preserving estab-  
77 lished bargaining relationships to the extent consistent with the  
78 purposes of this act. Those relationships may be changed only  
79 in accordance with the principles established under the "Labor  
80 Management Relations Act, 1947" and the "Railway Labor Act."

81 Upon acquisition by the authority of a public or private entity  
82 which provides public transportation services, the authority shall  
83 assume and observe all existing labor contracts of such entity for  
84 their remaining term. All of the employees of the acquired entity,  
85 as defined in subsection a., shall be transferred to the employment  
86 of the employer and appointed to comparable positions without  
87 examination subject to all the rights and benefits of this act, and  
88 these employees shall be given sick leave, seniority, vacation, and  
89 pension credits in accordance with the records and labor agree-  
90 ments of the acquired entity.

91 f. For purposes of this subsection:

92 (1) "Employee" means an employee employed, as of the date of  
93 the first acquisition by the authority, by any entity acquired, owned  
94 or operated by the authority or by any other entity which provides  
95 motorbus regular route, but does not mean supervisory employees,  
96 managerial executive and confidential employees;

97 (2) "Action by the corporation" mean acquisition, contracts for  
98 motorbus regular route, mergers, consolidations, coordination and  
99 rearrangements of services and work forces, but does not mean:

100 (a) The setting of fares by contract or otherwise unless that  
101 action results in a substantial diversion of riders; or

102 (b) The discontinuance of motorbus regular route services by  
103 the authority to the extent that substantially similar public trans-  
104 portation service does not continue to be provided; or

105 (c) A failure or refusal, by the authority, to enter into a contract  
106 for all or a portion of an entity's motorbus regular route service  
107 to the extent that substantially similar public transportation service  
108 does not continue to be provided.

109 Except as provided herein, employees whose positions are  
110 worsened with regard to wages, hours, seniority and other terms  
111 and conditions of employment, shall be protected for a period of 5  
112 years from the date of the first acquisition by the authority. This  
113 time limitation does not apply to protections afforded to employees  
114 whose positions are worsened as a result of acquisitions or con-  
115 tracts which transfer responsibility for the provision of sub-  
116 stantially similar motorbus regular route service from one entity,  
117 including the authority, to another. With regard to any acquisition  
118 or contract transferring service responsibility, only claims arising  
119 from actions taken within 18 months therefrom shall be eligible for  
120 protection.

121 Protections and procedures to implement those protections shall  
122 be provided in accordance with the terms of the agreement entered  
123 into between the Department of Transportation's Commuter  
124 Operating Agency, established pursuant to P. L. 1966, c. 301 (C.  
125 27:1A-16 et seq.), and Amalgamated Transit Union on March 2,  
126 1976, except that no protective allowances or other benefits shall  
127 exceed 3 years' duration. Pursuant to this agreement, the employer  
128 of the employee shall be considered the "assisted carrier" and  
129 actions of the authority shall constitute the "project."

130 g. For purposes of this subsection, "employees" means indi-  
131 viduals, including supervisory employees, management executives  
132 and confidential employees, who:

133 (1) Have terminated their employment with an acquired entity  
134 with vested retirement benefits; or,

135 (2) Are employed by the authority after accruing retirement  
136 benefits, whether or not vested, while employed by an acquired  
137 entity.

138 The authority as a condition of acquiring a public or private  
139 entity which provides public transportation services, shall ensure



140 that employees' retirement benefits, which have accrued on the  
141 basis of service to the date of the acquisition, are provided for and  
142 paid as they come due. These benefits shall be provided for and  
143 paid either by the entity so acquired, the former owner or owners  
144 of the entity, an affiliate of the entity, the Pension Benefit Guaranty  
145 Corporation, another public instrumentality, the authority itself,  
146 any other reasonable means, or any combination of the foregoing.  
147 These benefits may be provided for either through existing plans,  
148 new plans, mergers or consolidations of plans, or other appropriate  
149 or reasonable means.

1 38. Notwithstanding the provisions of section 37 of this act,  
2 upon acquisition by the authority, whether by purchase, condemna-  
3 tion or otherwise, of an entity providing jitney bus service in any  
4 municipality pursuant to R. S. 48:16-23 et seq., the authority shall,  
5 in addition to any compensation to be provided pursuant to the  
6 "Eminent Domain Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.)  
7 or other provisions of law, provide the operator of such entity with  
8 preference for employment with the authority in any available  
9 position similar to that formerly held by the operator, at the salary  
10 being paid by the authority for such position to persons having ex-  
11 perience equal in years to that of the operator; provided, however,  
12 that if the operator is willing to assume such employment with the  
13 authority, but is in the judgment of the authority incapable by rea-  
14 son of age, physical disability, or otherwise of doing so, the author-  
15 ity shall pay to the operator, in accordance with fiscal procedures  
16 established by the authority, an amount equal to the salary which  
17 such operator would otherwise have received in 1 year of employ-  
18 ment in the available position.

19 No operator entitled to employment preference or a payment  
20 under this section shall be entitled to any employment rights or  
21 other benefits provided under section 37 of this act. No payments  
22 made pursuant to this section shall be made from State or Federal  
23 funds received by the authority.

1 39. a. All contracts awarded by an authority pursuant to this act  
2 and all subcontracts awarded in connection therewith shall contain  
3 appropriate provisions by which contractors and subcontractors  
4 or their assignees agree to afford an equal employment opportunity  
5 to all prospective employees and to all actual employees to be em-  
6 ployed by the contractor or subcontractor in accordance with an  
7 affirmative action program approved by the authority and conso-  
8 nant with the provisions of the "Law Against Discrimination" P. L.  
9 1945, c. 169 (C. 10:5-1 et seq.). No contract shall be awarded by  
10 the authority in violation of this subsection.

11 b. Any authority created pursuant to this act shall formulate  
12 and abide by an affirmative-action program of equal opportunity  
13 whereby the authority guarantees to provide equal employment  
14 opportunity to members of minority groups in accordance with the  
15 provisions of the "Law Against Discrimination" P. L. 1945, c. 169  
16 (C. 10:5-1 et seq.).

1 40. In addition to other powers conferred by this act or by any  
2 other law, every county transportation authority, in connection  
3 with construction or operation of any part of a transportation  
4 system, may make reasonable regulations for the installation, con-  
5 struction, maintenance, repair, renewal, relocation and removal of  
6 tracks, pipes, mains, conduits, cables, wires, towers, poles or any  
7 other equipment and appliances (herein called "facilities") of any  
8 public utility as defined in R. S. 48:2-13, in, on, along, over or  
9 under any real property of the county transportation authority.  
10 Whenever in connection with construction or operation of any part  
11 of a transportation system, any county transportation authority  
12 shall determine that it is necessary that those facilities, which now  
13 are, or hereafter may be, located in, on, along, over or under any  
14 such real property, should be relocated in the real property, or  
15 should be removed therefrom, the public utility owning or operat-  
16 ing the facilities shall relocate or remove the same in accordance  
17 with the order of the authority; but the cost and expenses of the  
18 relocation or removal, including the cost of installing the facilities  
19 in a new location, or new locations, and the cost of any lands or  
20 any rights or interest in lands, or any other rights acquired to  
21 accomplish the relocation or removal, less the cost of any lands or  
22 any rights or interest in lands or any other rights of the public  
23 utility paid to the public utility in connection with the relocation  
24 or removal of the property, shall be paid by the authority and may  
25 be included in the cost of the transporttaion system. In case of any  
26 relocation or removal of facilities, the public utility owning or  
27 operating the same, its successors or assigns, may maintain and  
28 operate the facilities, with the necessary appurtenances, in the new  
29 location or new locations for as long a period, and upon the same  
30 terms and conditions, as it had the right to maintain and operate  
31 the facilities in their former location.

1 41. For the purpose of aiding and cooperating in the planning,  
2 undertaking, acquisition, construction or operation of any facility  
3 of a county transportation authority, any county or municipality  
4 within the district may, in the manner provided by law: a. acquire  
5 real property in its name for any project or for the widening of

6 existing roads, streets, parkways, avenues or highways or for new  
7 roads, streets, parkways, avenues, or highways to the facility, or  
8 partly for those purposes and partly for other municipal purposes,  
9 by purchase or condemnation in the manner provided by law for the  
10 acquisition of real property by the municipality; b. furnish,  
11 dedicate, close, vacate, pave, install, grade, regrade, plan or replan  
12 streets, roads, roadways, alleys, sidewalks or other places which  
13 it is otherwise empowered to undertake; and, c. do any and all  
14 things necessary or convenient to aid and cooperate in the planning,  
15 undertaking, construction or operation of the facility, and cause  
16 services to be furnished to the authority of the character which the  
17 county or municipality is otherwise empowered to furnish, and to  
18 incur the entire expense thereof.

1 42. Any county or municipality, by ordinance or resolution of its  
2 governing body, as appropriate, or any other person may, without  
3 any referendum or public or competitive bidding to sell, lease, lend,  
4 grant or convey to a county transportation authority or to permit  
5 a county transportation authority to use, maintain or operate as  
6 part of the transportation system any real or personal property  
7 owned by it which may be necessary or useful and convenient for  
8 the purposes of the authority and accepted by the authority. The  
9 sale, lease, loan, grant, conveyance or permit may be made with or  
10 without consideration and for a specified or an unlimited period of  
11 time and under any agreement and on any terms and conditions  
12 which may be approved by the county or municipality or other  
13 person and which may be agreed to by the authority in conformity  
14 with its contracts with the holders of any bonds. Subject to any  
15 of these contracts with holders of bonds, the county transportation  
16 authority may enter into and perform any and all agreements with  
17 respect to property so accepted by it, including agreements for the  
18 assumption of principal or interest, or both, of indebtedness of the  
19 county or municipality or other person or of any mortgage or lien  
20 existing with respect to the property or for the operation and  
21 maintenance of the property as part of the transportation system.

1 43. Any county or municipality within the district may from time  
2 to time, pursuant to ordinance or resolution, as appropriate, of its  
3 governing body, and for such period and upon such terms, with or  
4 without consideration, as may be provided in the ordinance or  
5 resolution, as the case may be, and accepted by the authority, appro-  
6 priate money for all or any part of the cost of acquisition or con-  
7 struction of the transportation system of the authority.

1 44. Any county transportation authority may enter into a  
2 contract or contracts provided for or relating to the use or lease  
3 of all or any part of the transportation system of the authority  
4 and the cost and expense of the use. The contract may provide for  
5 the payment to the authority annually or otherwise of a sum or  
6 sums of money for that use, computed at fixed amounts or by a  
7 formula or in any other manner. The contract may be made with  
8 or without consideration and for a specified or an unlimited time  
9 and on any terms and conditions which may be approved and agreed  
10 to by the authority in conformity with its contracts with the holders  
11 of any bonds. Subject to these contracts with the holders of bonds,  
12 the authority is authorized to do any and all acts or things neces-  
13 sary, convenient or desirable to carry out and perform every such  
14 contract.

1 45. Except as otherwise provided in this act with respect to the  
2 right of the county transportation authority to grant by franchise,  
3 lease or otherwise the use of any facility owned or controlled by it,  
4 the authority shall not mortgage, pledge, encumber or otherwise  
5 dispose of any part of the transportation system, except that the  
6 authority may dispose of such part or parts thereof as may be no  
7 longer necessary for the purposes of the authority. The provisions  
8 of this section shall be deemed to constitute a part of the contract  
9 with the holder of any bonds.

1 46. All property of a county transportation authority shall be  
2 exempt from levy and sale by virtue of an execution and no execu-  
3 tion or other judicial process shall issue against the same nor shall  
4 any judgment against a county transportation authority be a  
5 charge or lien upon its property, but this section shall not apply  
6 to nor limit the rights of the holder of any bonds to pursue any  
7 remedy for the enforcement of any pledge or lien given by a county  
8 transportation authority on its revenues or other moneys.

1 47. Every county transportation authority and any municipality  
2 in which any property of the authority is located are authorized  
3 to enter into agreements with respect to the payment by the  
4 authority to the municipality of annual sums of money in lieu of  
5 taxes on the property in an amount not less than the amount of  
6 taxes last paid on the property prior to its acquisition by the  
7 authority, or such other agreed amount computed on the basis of  
8 the assessed value of real property without improvements, and  
9 each county transportation authority is authorized to make such  
10 payments and each such municipality is empowered to accept such  
11 payments and to apply them in the manner in which taxes may be  
12 applied in such municipality.

1 48. Notwithstanding the provisions of any other law, the State  
2 and all public officers, municipalities, counties, political subdivisions  
3 and public bodies, and agencies thereof, all banks, bankers, trust  
4 companies, savings banks and institutions, building and loan asso-  
5 ciations, savings and loan associations, investment companies, and  
6 other persons carrying on a banking business, all insurance com-  
7 panies, insurance associations and other persons carrying on an  
8 insurance business, and all executors, administrators, guardians,  
9 trustees and other fiduciaries, may legally invest any sinking  
10 funds, moneys or other funds belonging to them or within their  
11 control in any bonds issued pursuant to this act, and the bonds  
12 shall be authorized security for any and all public deposits.

1 49. The transportation system and all other properties of a  
2 county transportation authority are declared to be public prop-  
3 erty of a political subdivision of the State and devoted to an  
4 essential public and governmental function and purpose and shall  
5 be exempt from all taxes and special assessments of the State or  
6 any subdivision thereof. All bonds issued pursuant to this act are  
7 declared to be issued by a political subdivision of this State and  
8 for an essential public and governmental purpose and to be a public  
9 instrumentality and the bonds, and the interest thereon and the  
10 income therefrom, and all facility charges, funds, revenues and  
11 other moneys pledged or available to pay or secure the payment  
12 of the bonds, or interest thereon, shall at all times be exempt from  
13 taxation, except for transfer, inheritance and estate taxes and  
14 taxes on transfers by or in contemplation of death.

1 50. The State of New Jersey does hereby pledge to and covenant  
2 and agree with the holders of any bonds issued by a county trans-  
3 portation authority pursuant to this act that the State will not  
4 limit or alter the rights hereby vested in the county transportation  
5 authority to acquire, construct, maintain, reconstruct and operate  
6 its transportation system, or to fix, establish, charge and collect  
7 its facility or service charges and to fulfill the terms of any agree-  
8 ment made with the holders of the bonds or other obligations, so as  
9 to in any way impair the rights or remedies of the holders, and  
10 will not modify in any way the exemptions from taxation provided  
11 for in this act, until the bonds, together with interest thereon, with  
12 interest on any unpaid installments of interest, and all costs and  
13 expenses in connection with any action or proceeding by or on  
14 behalf of the holders, are fully met and discharged.

1 51. Each county transportation authority shall file a certified  
2 copy of each bond resolution adopted by it in the office of the  
3 Director of the Division of Local Government Services, together

4 with a certified summary of the dates, amounts, maturities and  
5 interest rates of all bonds to be issued pursuant thereto, prior to  
6 the issuance of the bonds. Upon the adoption of each annual budget  
7 or amendment thereof by a county transportation authority, a  
8 certified copy thereof shall be filed forthwith with the director.

1 52. If the provisions of any article, section, subsection, para-  
2 graph, subdivision or clause of this act shall be judged invalid by  
3 a court of competent jurisdiction, the order or judgment shall  
4 not affect or invalidate the remainder of any article, section, sub-  
5 section, paragraph, subdivision or clause of this act and, to this  
6 end, the provisions of each article, section, subsection, paragraph,  
7 subdivision or clause of this act are described to be severable.

1 53. This act shall take effect immediately.

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**ASSEMBLY, No. 1220**

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**STATE OF NEW JERSEY**

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INTRODUCED FEBRUARY 28, 1980

By Assemblyman GORMLEY

Referred to Committee on County Government

AN ACT authorizing the planning, development, construction, acquisition, financing and operation of transportation systems by or on behalf of counties of the fifth class having populations of less than 200,000, providing for the establishment of county transportation authorities for the performance of those functions, the issuance of bonds and other obligations therefor, and service charges to meet the expenses thereof, and supplementing Title 40 of the Revised Statutes.

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

1 1. This act shall be known and may be cited as the "County  
2 Transportation Authorities Act."

1 2. The Legislature hereby finds and declares that it is in the  
2 public interest of the citizens of this State to foster and promote  
3 by all reasonable means the provision of adequate public trans-  
4 portation and parking facilities by and in certain counties of the  
5 State; to encourage these counties to include integrated and ade-  
6 quate transit systems in their development and redevelopment  
7 efforts in order to promote modern transportation systems, land-  
8 use patterns and public service structures designed for the efficient  
9 use of energy, land and other resources, and for the convenience  
10 and welfare of residents and visitors; and, to encourage the orderly  
11 planning and development of transportation systems through  
12 these counties in a manner which is consistent with Statewide needs  
13 for efficient and convenient transportation systems.

1 3. As used in this act:

2 a. "Authority" means a county transportation authority created  
3 pursuant to section 4 of this act;

4 b. "Bonds" means any bonds, notes or other evidence of finan-  
5 cial indebtedness issued by an authority pursuant to this act;

6 c. "Cost" means, in addition to the usual connotations thereof,  
7 the cost of acquisition or construction of all or any property, rights,

8 easements and franchises deemed by an authority to be necessary  
9 or useful and convenient therefor, including interest or discount  
10 on bonds to finance such cost, engineering and inspection costs and  
11 legal expenses, the cost of financial, professional and other advice,  
12 and the cost of issuance of the bonds;

13 d. "Construction" means the planning, designing, construction,  
14 reconstruction, replacement, extension, enlargement, improvement  
15 and betterment of parking and transportation facilities, and in-  
16 cludes the demolition, clearance and removal of buildings or struc-  
17 tures on land acquired, held, leased or used for any facility;

18 e. "District" means the area within the boundaries of the county  
19 which created the authority;

20 f. "Parking facility" means any area or place, garage, building,  
21 or other improvement or structure for the parking or storage of  
22 motor or other vehicles, including, without limitation: all real and  
23 personal property, driveways, roads and other structures or areas  
24 necessary or useful or convenient for access to a facility from a  
25 public street, road or highway, or from any transportation facility;  
26 meters, mechanical equipment necessary or useful, or convenient  
27-29 for or in connection with such parking or storage; and any struc-  
30 tures, buildings, space or accommodations (whether constructed  
31 by an authority or by the lessee) to be leased for any business,  
32 commercial or other use, including the sale of gasoline or acces-  
33 sories for, or the repair or other servicing of automobiles and other  
34 motor vehicles, if, in the opinion of an authority, the inclusion,  
35 provision and leasing is necessary to assist in defraying the ex-  
36 penses of the authority and make possible the operation of the  
37 parking facility at reasonable rates, but the authority shall not  
38 itself engage in the sale of gasoline or accessories for, or in the  
39 repair or other serving of, automobiles or other motor vehicles  
40 except in emergency, nor in the sale of any service or commodity  
41 of trade or commerce;

42 g. "Transportation facility" means any area, place, building,  
43 or other structure designed to provide rail passenger service,  
44 motorbus regular route service, paratransit service, motorbus  
45 charter service, air passenger service, or marine passenger service,  
46 or any two or more of such services, to the public, and includes  
47 passenger stations, shelters and terminals, air passenger terminals,  
48 hangars, helaports, docking and launching facilities, parking facili-  
49 ties, ramps, track connections, signal systems, power systems, in-  
50 formation and communication systems, roadbeds, transit lanes or  
51 rights of way, equipment storage and servicing facilities, bridges,  
52 grade crossings, rail cars, locomotives, motorbus and other motor



53 vehicles, boats and other marine vehicles, aircraft, maintenance  
 54 and garage facilities, revenue handling equipment and any other  
 55 equipment, facility or property useful for or related to the pro-  
 56 vision of the services;

57 h. "Motorbus regular route service" means the operation of  
 58 any motorbus or motorbuses on streets, public highways or other  
 59 facilities, over a fixed route and between fixed termini on a regular  
 60 schedule for the purpose of carrying passengers, for hire or other-  
 61 wise, within the district or between points within the district and  
 62 points without the district;

63 i. "Paratransit service" means any service, other than motorbus  
 64 regular route service and charter service, including, but not limited  
 65 to, dial-a-ride, nonregular route, jitney or community minibus, and  
 66 shared-ride services such as vanpools, limousines or taxicabs which  
 67 are regularly available to the public. Paratransit services shall not  
 68 include limousine or taxicab service reserved for the private and  
 69 exclusive use of individual passengers;

70 j. "Motorbus charter service" means subscription, tour and  
 71 other special motorbus services;

72 k. "Rail passenger service" means the operation of railroad,  
 73 subway, or light rail systems including fixed and automated guide-  
 74 way systems for the purpose of carrying passengers in the district  
 75 or between points within the district and points without the district;

76 l. "Air passenger service" means any service which involves  
 77 the carriage of persons for compensation or hire by aircraft;

78 m. "Marine passenger service" means any service which in-  
 79 volves the carriage of persons for compensation or hire by water-  
 80 borne craft;

81 n. "Transportation system" means all parking and transporta-  
 82 tion facilities acquired, constructed, leased or operated by a county  
 83 transportation authority for the purpose of providing to the public  
 84 motorbus regular route service, paratransit service, motorbus  
 85 charter service, rail passenger service, air passenger service, ma-  
 86 rine passenger service and any other service necessary for the  
 87 fulfillment of the purposes of this act; and,

88 o. "Public transportation or public transportation service"  
 89 means motorbus regular route service, paratransit service, motor-  
 90 bus charter service, rail passenger service, air passenger service,  
 91 and marine passenger service.

1 4. a. The governing body of any county of the fifth class having  
 2 a population according to the 1970 Federal census of less than  
 3 200,000 may by ordinance or resolution, as appropriate, create a  
 4 public body corporate and politic with perpetual succession under

5 the name and style of "the . . . transportation authority" with  
6 the name of the county inserted. Every authority is hereby con-  
7 stituted an instrumentality of said county exercising public and  
8 essential governmental functions.

9 b. The authority shall be governed by a board which shall con-  
10 sist of nine members all of whom shall be residents of the county.  
11 Each member of the board shall serve for a term of 3 years, and  
12 and shall be appointed pursuant to the procedures of the govern-  
13 ing body of that county.

14 c. In counties having adopted the Optional County Charter Law,  
15 the county governing body may provide for district and at-large  
16 representation in the same proportion as the board of chosen free-  
17 holders in that county.

18 d. The chairman shall be designated in accordance with the pro-  
19 cedure provided for appointments by that county government.

20 e. A vacancy in the membership of the board, occurring other  
21 than by expiration of term, shall be filled in the same manner as  
22 the original appointment for the unexpired term.

23 f. A copy of the ordinance or resolution for the creation of an  
24 authority adopted pursuant to this section, duly certified by the  
25 appropriate officer of the county, shall be filed in the office of the  
26 Secretary of State and the office of the Director of the Division of  
27 Local Government Services. Upon proof of such filing, the au-  
28 thority shall, in any suit, action or proceeding involving the validity  
29 or enforcement of, or relating to, any contract or obligation or  
30 act of the authority, be conclusively deemed to have been lawfully  
31 and properly created and established and authorized to transact  
32 business and exercise its powers under this act. A copy of the  
33 certified ordinance or resolution, duly certified by or on behalf of  
34 the Secretary of State, shall be admissible in evidence in any suit,  
35 action or proceeding.

36 g. A copy of each order or resolution appointing any member  
37 of an authority pursuant to this section, duly certified by the ap-  
38 propriate officer, shall be filed in the office of the Secretary of State  
39 and the office of the Director of the Division of Local Government  
40 Services. A copy of the certified order or resolution, duly certified  
41 by or on behalf of the Secretary of State, shall be admissible in  
42 evidence of the due and proper appointment of the member or  
43 members named therein.

1 5. The governing body of any municipality in which any trans-  
2 portation facility of the authority is located may annually appoint  
3 a resident of such municipality as its representative to the board.

4 The representative shall not be a member or an officer of the au-  
5 thority, but shall participate in all meetings, activities and proceed-  
6 ings of the board.

1 6. a. No county which shall create an authority pursuant to  
2 this act shall thereafter create any other county transportation  
3 authority, or utilize any other law for the provision of public trans-  
4 portation services which can be provided pursuant to this act, or  
5 create or join in the creation of any county parking authority pur-  
6 suant to the "Parking Authority Law" (P. L. 1948, c. 198;  
7 C. 40:11A-1 et seq.) or P. L. 1972, c. 83 (C. 40:34A-1 et seq.), or  
8 any other law. No municipality or any other governmental entity  
9 within a county which shall create an authority pursuant to this  
10 act, shall thereafter utilize any other law for the provision of  
11 public transportation services which can be provided pursuant to  
12 this act, nor create or join in the creation of any municipal parking  
13 authority pursuant to the "Parking Authority Law" or any other  
14 law.

15 b. If a county, or a municipality with a county, which creates  
16 a county transportation authority pursuant to this act, shall have  
17 previously created a parking authority pursuant to the "Parking  
18 Authority Law" (P. L. 1948, c. 198; C. 40:11A-1 et seq.), P. L.  
19 1972, c. 83 (C. 40:34A-1 et seq.), or any other law, that county or  
20 municipality shall provide, by ordinance or resolution, as appro-  
21 priate, for the dissolution of such parking authority upon the  
22 effective date of the creation of the county transportation authority  
23 and for the transfer of the indebtedness and other obligations,  
24 and the property and assets of such parking authority to the county  
25 transportation authority.

26 The terms of office of any members appointed to the parking  
27 authority shall terminate immediately upon the creation of the  
28 transportation authority. The officer having custody of the funds  
29 of the parking authority shall deliver all funds in his possession  
30 into the custody of the municipal or county finance officer, who  
31 shall deliver all funds into the custody of the proper fiscal officer  
32 of the county transportation authority. The county transportation  
33 authority shall have the power to complete any work, service or  
34 improvement, and to confirm and collect previously levied assess-  
35 ments, rates, and other charges, of the parking authority, which  
36 are incomplete, unconfirmed or uncollected on such effective date.

1 7. The county transportation authority, upon the first appoint-  
2 ment of its members and annually thereafter, shall elect from  
3 among its members a vice-chairman, who shall hold office until his  
4 successor has been appointed and qualified.

5 The authority may also employ, without regard to Title 11  
6 (Civil Service) of the Revised Statutes, engineers, architects, at-  
7 torneys, accountants, construction and financial experts, super-  
8 intendants, managers and such other agents and employees as it  
9 may require, and determine their duties and compensation.

1 8. a. The powers of the authority shall be vested in the members,  
2 and a majority of its members shall constitute a quorum. Action  
3 may be taken and motions and resolutions adopted by the authority  
4 at any meeting by a vote of a majority of the members, unless the  
5 bylaws of the authority shall require a larger number. No vacancy  
6 in the membership of the board shall impair the right of a quorum  
7 to exercise all the rights and perform all the duties of the board.

8 b. The minutes of every meeting of the authority shall be  
9 promptly delivered by and under the certification of the chairman to  
10 the chief executive officer of the county. No action taken at a meeting  
11 by the board shall have force or effect until approved by the chief  
12 executive officer or until 10 days after a copy of the minutes shall  
13 have been delivered. If in the 10 day period, the chief executive  
14 officer returns the copy of the minutes with a veto of any action  
15 taken by the board or any member thereof at the meeting, that  
16 action shall be of no effect. The chief executive officer may approve  
17 all or any part of the action taken at that meeting prior to the  
18 expiration of the 10 day period. The veto powers accorded under  
19 this subsection shall not affect in any way the covenants contained  
20 in the bond indentures of the authority, nor any collective bargain-  
21 ing agreement or binding arbitration decision reached pursuant  
22 to this act.

1 9. The authority may reimburse its members for necessary ex-  
2 penses incurred in the discharge of their duties. The ordinance or  
3 resolution creating the authority may authorize payment or com-  
4 pensation for service to members of the authority.

5 Any provision or limitation stated in the ordinance or resolution  
6 may be amended, supplemented, repealed or added by subsequent  
7 ordinance or resolution, as appropriate, but no reduction of any  
8 payment for compensation shall be effective during the remaining  
9 term of any member of the authority then in office, except upon  
10 that member's written consent. No member shall receive any pay-  
11 ment or compensation of any kind from the authority except as  
12 authorized by this section.

1 10. No member, officer or employee of an authority shall have  
2 or acquire any interest, direct or indirect, in the transportation  
3 system or in any property included or planned to be included in the

4 transportation system, or in any property adjacent to the trans-  
5 portation system which would directly benefit from such location,  
6 or in any contract or proposed contract for materials or services  
7 to be furnished to or used by the authority.

8 No member of the authority shall cause directly or indirectly  
9 the payment or contribution of money or thing of value to any  
10 candidate for nomination or election to any public office in the State  
11 or to any committee of any political party in the State or to any  
12 group, committee or association organized in support of any such  
13 candidate or political party.

1 11. The board meetings shall be subject to the provisions of the  
2 "Open Public Meetings Act", P. L. 1975, c. 231 (C. 10:4-6 et seq.).

1 12. The governing body of any county which has created an au-  
2 thority pursuant to this act may, by ordinance or resolution, as  
3 appropriate, dissolve that authority on the condition that: a. either  
4 the members of the authority have not been appointed or the auth-  
5 ority by resolution has consented to its dissolution; and, b. the  
6 authority has no debts or obligations outstanding. A copy of the  
7 ordinance or resolution, as the case may be, for the dissolution of  
8 the authority pursuant to this section duly certified by the appro-  
9 priate officer of the county shall be filed in the office of the Secretary  
10 of State, and the Director of Local Government Services. Upon  
11 proof of filing, and upon proof that either the authority had no  
12 debts or obligations outstanding at the time of the adoption of the  
13 ordinance or resolution, or all creditors or other obligees of the  
14 authority have consented to the ordinance, the authority shall be  
15 conclusively deemed to have been lawfully and properly dissolved  
16 and the property of the authority shall be vested in the county  
17 adopting the ordinance or resolution, in the manner prescribed  
18 therein. A copy of the ordinance or resolution, duly certified by or  
19 on behalf of the Secretary of State, shall be admissible in evidence  
20 in any action, or proceeding, and shall be conclusive evidence of  
21 proper filing.

1 13. The purpose of a county transportation authority shall be  
2 the improvement, establishment and development of parking and  
3 transportation facilities by or through the planning, design,  
4 acquisition, construction, improvement, maintenance or operation  
5 of any and all projects and facilities for the improvement and  
6 development of a modern, efficient and integrated transportation  
7 system, or directly related thereto, either directly or by agreement  
8 with any county, municipality or person, or in any other manner,  
9 which in the judgment of the authority will provide an effective and  
10 satisfactory method for promoting its purposes.

1 14. The authority shall prepare, or cause to be prepared, and,  
2 after public hearing, adopt a master plan for the development  
3 within the district of a transportation system. The authority may,  
4 after public hearing and pursuant to the procedures provided  
5 in this act, amend the master plan. The master plan shall include a  
6 report presenting the objectives, assumptions, standards and princi-  
7 ples embodied in the various coordinated parts of the master plan.  
8 In preparing the master plan or any amendment thereto, the au-  
9 thority shall consult with the State Department of Transportation,  
10 the New Jersey Transit Corporation, and any other State or any  
11 Federal agency having an interest in the development of trans-  
12 portation in the district.

13 In preparing the master plan or any amendment thereto, the  
14 authority shall consider the existing and proposed patterns of  
15 land use development of municipalities within the district. In  
16 addition, the master plan shall contain the following elements:

17 a. An identification of existing and projected needs of the district  
18 for efficient, economical and integrated public transportation  
19 services, and proposed programs to provide and promote an effi-  
20 cient, economical and integrated transportation system to meet  
21 those needs;

22 b. An identification of the services, facilities and other elements  
23 to be acquired, constructed, leased, operated and provided within  
24 the transportation system, and a program for the acquisition, con-  
25 struction, lease, operation and provision of services, facilities and  
26 other elements, which program may be timed by various stages for  
27 the development of the transportation system;

28 c. Plans for the preservation, improvement and expansion of the  
29 transportation system, with special emphasis on the coordination:  
30 (1) of transportation and parking facilities to be acquired, con-  
31 structed or leased; (2) of transportation services to be operated or  
32 provided; and, (3) of the use of rail rights of way, highways and  
33 public streets for transportation services;

34 d. Plans for the coordination of the activities of the authority  
35 with other public agencies and authorities; and,

36 e. An identification of existing parking and transportation  
37 facilities within the district to be acquired under this act.

38 Upon adoption, the master plan and any amendment thereof  
39 shall be filed with the Governor, the governing body of the county,  
40 and the governing bodies of all the municipalities in the county.

1 15. In addition to the powers and duties conferred upon it else-  
2 where in this act, the authority may do all acts necessary and  
3 reasonably incident to carrying out the objectives of this act, in-  
4 cluding, but not limited to, the following:

- 5 a. To adopt and have a common seal and to alter it at pleasure;
- 6 b. To sue and be sued;
- 7 c. To acquire, hold, use and dispose of its charges and other  
8 revenues and other moneys in its own name;
- 9 d. In its own name, but for the county, to acquire rent, hold, use  
10 and dispose of other personal property for the purposes of the  
11 authority, and to acquire by purchase, gift, condemnation or other-  
12 wise, or lease as lessee, real property and easements therein,  
13 necessary or useful and convenient for the purposes of the au-  
14 thority, whether subject to mortgages, deeds of trust or other liens,  
15 or otherwise, and to hold and to use the same, and to dispose of  
16 property so acquired no longer necessary for the purposes of the  
17 authority;
- 18 e. To grant by franchise, lease or otherwise, the use of any  
19 project, facilities or property owned and controlled by it to any  
20 person for a consideration and for a period or periods of time and  
21 upon terms and conditions as it may fix and agree upon, including,  
22 but not limited to, the condition that the user shall or may con-  
23 struct or provide any buildings or structures or improvements on  
24 the project, facilities or property, or portions thereof;
- 25 f. To provide for and secure the payment of any bonds and the  
26 rights of the holders thereof, and to purchase, hold and dispose of  
27 any bonds;
- 28 g. To determine the exact location, type and character of and all  
29 matters in connection with all or any part of the transportation  
30 system which it is authorized to own, construct, establish, effectuate,  
31 operate, or control and to enter on any lands, waters or premises  
32 for the purpose of making surveys, diagrams, maps or plans or for  
33 the purpose of making soundings or borings as it deems necessary  
34 or convenient;
- 35 h. To make and enforce bylaws or rules and regulations for the  
36 management and regulation of its business and affairs and for the  
37 use, maintenance and operation of the transportation system and  
38 any other of its properties, and to amend the same; it shall publish  
39 the same and file them in accordance with the "Administrative  
40 Procedure Act", P. L. 1968, c. 410 (C. 52:14B-1 et seq.) with the  
41 Director of the Office of Administrative Law;
- 42 i. To acquire, purchase, construct, lease, operate, maintain and  
43 undertake any parking or transportation facility and to make  
44 service charges for the use thereof;
- 45 j. To call to its assistance and avail itself of the service of any  
46 employees of any Federal, State, county or municipal department,  
47 authority or other agency as it may require and as may be available  
48 to it for its purposes;

49 k. To plan, design, construct, equip, operate, improve and main-  
50 tain, either directly or by contract with any public or private  
51 entity, public transportation services, parking and transportation  
52 facilities or any parts or functions thereof, and other transportation  
53 projects, or any parts or functions thereof;

54 l. To apply for, accept and expend money from any Federal, State  
55 or county or municipal agency or instrumentality, and from any  
56 private source; comply with Federal and State statutes, rules and  
57 regulations; and qualify for and receive all forms of financial  
58 assistance available under Federal law to assure the continuance  
59 of, or for the support or improvement of public transportation, and  
60 as may be necessary for that purpose to enter into agreements,  
61 including labor protective agreements required by the Federal  
62 government;

63 m. To restrict the rights of persons to enter upon or construct  
64 any works in or upon any property owned or leased by the au-  
65 thority, except under such terms as the authority may prescribe;  
66 perform or contract for the performance of all acts necessary for  
67 the management, maintenance and repair of real or personal prop-  
68 erty leased or otherwise used or occupied pursuant to this act;

69 n. To set and collect fares and determine levels of service for  
70 service provided by the authority either directly or by contract,  
71 including, but not limited to, such reduced fare programs as  
72 deemed appropriate by the authority. Revenues derived from such  
73 service may be collected by the authority and shall be available to  
74 the authority for use in furtherance of any of the purposes of this  
75 act;

76 o. To set and collect rentals, fees, charges or other payments  
77 from the lease, use, occupancy or disposition of properties owned  
78 or leased by the authority. These revenues shall be available to the  
79 authority for use in furtherance of any of the purposes of this act;

80 p. To deposit authority revenues in interest bearing accounts or  
81 in the State of New Jersey Cash Management Fund established  
82 pursuant to section 1 of P. L. 1977, c. 281 (C. 52:18A-90.4);

83 q. To procure and enter into contracts for any type of insurance  
84 and indemnify against loss or damage to property from any cause,  
85 including loss of use and occupancy, against death or injury of any  
86 person, against employees' liability, against any act of any member,  
87 officer, employee or servant of the authority, whether part-time,  
88 full-time, compensated or noncompensated, in the performance of  
89 the duties of his office or employment, or any other insurable risk.  
90 In addition, the authority may carry its own liability insurance;



91 r. To promote the use of authority services, coordinate ticket  
 92 sales and passenger information and sell, lease or otherwise con-  
 93 tract for advertising in or on the equipment or facilities of the  
 94 authority;

95 s. To adopt and maintain employee benefit programs for em-  
 96 ployees of the authority including, but not limited to, pension,  
 97 deferred compensation, medical, disability, and death benefits, and  
 98 which programs may utilize insurance contracts, trust funds, and  
 99 any other appropriate means of providing the stipulated benefits,  
 100 and may involve new plans or the continuation of plans previously  
 101 established by entities acquired by the authority;

102 t. To own, vote, and exercise all other rights incidental to the  
 103 ownership of shares of the capital stock of any incorporated entity  
 104 acquired by the authority pursuant to the powers granted by this  
 105 act;

106 u. To apply for and accept, from appropriate regulatory bodies,  
 107 authority to operate public transportation services where  
 108 necessary;

109 v. To delegate to subordinate officers of the authority such  
 110 powers and duties as the authority shall deem necessary and proper  
 111 to carry out the purposes of this act; and,

112 w. To enter into any contracts, execute any instruments, and do  
 113 and perform any acts or things necessary, convenient or desirable  
 114 for the purposes of the authority or to carry out any power ex-  
 115 pressly given in this act, except as otherwise provided in this act  
 116 subject to the "Local Public Contracts Law," P. L. 1971, c. 198  
 117 (C. 40A:11-1 et seq.).

1 16. The authority may enter into contracts with any public or  
 2 private entity for the provision of adequate public transportation  
 3 and parking facilities; provided, however, that with exception of  
 4 marine and air passenger service the authority may not contract  
 5 for public transportation services beyond the district without the  
 6 written consent of the New Jersey Transit Corporation created  
 7 under P. L. 1979, c. 150 (C. 27:25-1 et seq.) and the Commissioner  
 8 of Transportation unless such services were provided or authorized  
 9 to be provided by a public or private entity acquired by the au-  
 10 thority and only to the extent that the acquired entity is providing  
 11 or is authorized to provide the services.

1 17. The authority shall not submit any application for Federal  
 2 funding for the operation and improvement of public transportation  
 3 and parking facilities under the Urban Mass Transportation Act  
 4 of 1964, P. L. 88-365 (49 U. S. C. § 1601 et seq.), or any successor  
 5 or additional Federal act having substantially the same or similar

6 purposes or functions, or any other Federal act providing financial  
7 assistance for transportation systems, unless the project and the  
8 project application have been first approved by the Commissioner  
9 of Transportation.

1 18. a. Every authority may enter into contracts with any public  
2 or private entity to operate rail passenger service or portions or  
3 functions thereof. Where appropriate, payments by the authority  
4 for services contracted for under this section shall be determined  
5 in accordance with the Federal Regional Rail Reorganization Act  
6 of 1973 (45 U. S. C., 701 et seq.), the Federal Rail Passenger  
7 Service Act of 1970 (45 U. S. C. 501 et seq.), any other applicable  
8 Federal law, and any and all rules, regulations and standards,  
9 promulgated thereunder and decisions issued pursuant thereto.  
10 In all other cases, payments shall be by agreement upon the terms  
11 and conditions the authority shall deem necessary.

12 b. Every authority may enter into contracts with any public or  
13 private entity to operate motorbus regular route, paratransit or  
14 motorbus charter services or portions or functions thereof. Pay-  
15 ments shall be by agreement upon the terms and conditions the  
16 authority shall deem necessary.

17 c. Every authority may enter into contracts with any public or  
18 private entity to operate marine passenger services and air pas-  
19 senger services or portions or functions thereof. Payments shall  
20 be by agreement upon the terms and conditions the authority shall  
21 deem necessary.

1 19. Every authority which acquires a public or private entity  
2 engaged in the provision of motorbus regular route service which,  
3 at the time of acquisition provides school bus services may continue  
4 to provide the services only to the extent that the acquired entity  
5 is providing or is authorized to provide the service.

1 20. Every authority may prescribe and revise a schedule of all  
2 its facility and service charges. The charges shall comply with the  
3 terms of any contract of the authority and may be so adjusted  
4 that the revenues of the authority will at all times be adequate to  
5 pay the expenses of operation and maintenance of transportation  
6 system, including reserves, insurance, improvements, replacements,  
7 and other required payments, and to pay the principal of and  
8 interest on any bonds and to maintain such reserves or sinking  
9 funds therefor as may be required by the terms of any contract of  
10 the authority or as may be deemed necessary or desirable by the  
11 authority. A copy of such schedule of service and facility charges  
12 in effect shall be a public record and shall be filed with the New  
13 Jersey Transit Corporation and the Department of Transportation.

1 21. Any municipality or county shall have power, in the discretion  
2 of its governing body, to appropriate moneys for the purposes of  
3 the authority, and to loan or donate such moneys to the authority  
4 in such installments and upon such terms as may be agreed upon  
5 with the authority.

1 22. a. The authority shall not be considered a public utility as  
2 defined in R. S. 48:2-13 and except with regard to subsection c. of  
3 this section the provisions of Title 48 of the Revised Statutes shall  
4 not apply to the authority.

5 b. The powers hereby given the authority pursuant to section 15  
6 of this act with respect to fares and service, shall be exercised  
7 without regard or reference to the jurisdiction vested in the Depart-  
8 ment of Transportation by R. S. 48:2-21, 48:2-24 and 48:4-3. The  
9 Department of Transportation shall resume jurisdiction over  
10 service and fares upon the termination and discontinuance of a  
11 contractual relationship between the authority and a private or  
12 public entity relating to the provision of public transportation  
13 services operated under the authority of certificates of public con-  
14 venience and necessity previously issued by the department or its  
15 predecessors; provided, however, that no private entity shall be  
16 required to restore any service discontinued or any fare changed  
17 during the existence of a contractual relationship with the author-  
18 ity, unless the Department of Transportation shall determine, after  
19 notice and hearing, that the service or fare is required by public  
20 convenience and necessity.

21 c. Notwithstanding any other provisions of this act, all vehicles  
22 used by any public or private entity pursuant to contract authorized  
23 by this act, and all vehicles operated by the authority directly, shall  
24 be subject to the jurisdiction of the Department of Transportation  
25 with respect to maintenance, specifications and safety to the same  
26 extent jurisdiction is conferred upon the department by Title 48  
27 of the Revised Statutes.

28 d. Before implementing any fare increase for any motorbus  
29 regular route services, rail passenger services, paratransit services,  
30 or marine or air passenger services, or the substantial curtailment  
31 or abandonment of any such services, the authority shall hold a  
32 public hearing in the area affected during evening hours. Notice  
33 of such hearing shall be given by the authority at least 15 days  
34 prior to such hearing to the governing body of the county and the  
35 governing body of each municipality within the district whose  
36 residents will be affected and to the clerk of each county or counties  
37 whose residents will be affected; such notice shall also be posted  
38 at least 15 days prior to such hearing in prominent places on the

39 railroad cars, buses, and other facilities used for the carriage  
40 of passengers serving the routes to be affected.

1 23. In any proceeding before the Department of Transportation  
2 for decreasing or abandoning service, any contract payments  
3 offered by the authority for continuing service shall be considered  
4 as available revenues by the department in making any determina-  
5 tion on the petition.

1 24. a. The authority shall, by September 1 of each year, file with  
2 the Commissioner of Transportation a report in such format and  
3 detail as the commissioner may require setting forth the actual  
4 financial, operational and capital results of the previous fiscal  
5 year and a proposed operational, capital and financial plan for the  
6 next ensuing fiscal year or any other appropriate period.

7 b. On or before October 31 of each year, the authority shall make  
8 an annual report of its activities for the preceding fiscal year to  
9 the Governor, to the governing body of the county, the governing  
10 bodies of all the municipalities within the county, and to the pre-  
11 siding officers and the Transportation and Communications Com-  
12 mittees of both Houses of the Legislature. Each such report shall  
13 set forth a complete operating and financial statement covering  
14 its operations and capital projects during the year.

15 c. All records of minutes, accounts, bills, vouchers, contracts or  
16 other papers connected with or used or filed with the authority or  
17 with any officer or employee acting for or in its behalf are hereby  
18 declared to be public records and shall be open to public inspection  
19 in accordance with P. L. 1963, c. 73 (C. 47:1A-1 et seq.) and regula-  
20 tions prescribed by the authority.

21 d. The authority shall cause an audit of its books and accounts  
22 to be made at least once each year by certified public accountants  
23 and the cost thereof may be treated as a cost of operation. The  
24 audit shall be filed within 4 months after the close of the fiscal year  
25 of the authority and certified duplicate copies thereof shall be filed  
26 with the office of the chief finance officer of the county, the Depart-  
27 ment of Transportation, the Director of the Division of Local  
28 Government Services and the office of the chief finance officer of  
29 each municipality in which authority transportation or parking  
30 facilities are located.

31 e. Notwithstanding the provisions of any law to the contrary,  
32 the State Auditor or his legally authorized representative may  
33 examine the accounts and books of the authority.

1 25. For the purpose of raising funds to pay the cost of any  
2 part of its transportation system or for the purpose of funding or  
3 refunding any bonds, a county transportation authority shall have

4 power to authorize or provide for the issuance of bonds pursuant  
5 to this act, by resolution which shall:

- 6 a. Describe in brief and general terms sufficient for reasonable  
7 identification the transportation system or part thereof to be  
8 constructed or acquired, or describe the bonds which are to be  
9 funded or refunded;
- 10 b. State the cost or estimated cost of the project; and,
- 11 c. Provide for the issuance of the bonds in accordance with  
12 section 26 of this act.

1 26. Upon the adoption of a bond resolution, a county trans-  
2 portation authority shall have power to incur indebtedness, borrow  
3 money and issue its bonds for the purpose of financing the project  
4 or of funding or refunding its bonds. Such bonds shall be au-  
5 thorized by the bond resolution and may be issued in one or more  
6 series and shall bear such date or dates, mature at such time or  
7 times not exceeding the period or average period of usefulness  
8 determined in the resolution, bear interest at such rate or rates,  
9 be in such denomination or denominations, be in such form, either  
10 coupon or registered, carry such conversion or registration  
11 privileges, have such rank or priority, be executed in such manner,  
12 be payable from such sources, in such medium of payment, at such  
13 place or places within or without the State, and be subject to such  
14 terms or redemption (with or without premium), all as the bond  
15 resolution may provide. The authority may issue such types of  
16 bonds as it may determine, including, but not limited to, bonds on  
17 which the principal and interest are payable: a. exclusively from  
18 the income and revenues of the project financed with the proceeds  
19 of such bonds; b. exclusively from the income and revenues of  
20 certain designated projects whether or not they are financed in  
21 whole or in part with the proceeds of such bonds; or c. its revenues  
22 generally. The bonds may be additionally secured by a pledge of  
23 any grant or contributions from the Federal Government, the  
24 State, county or any municipality or a pledge of any income or  
25 revenues of the authority, including income or revenues to be  
26 received pursuant to grant or lease by the authority of the use or  
27 services of any facility owned or controlled by it. This act shall be  
28 complete authority, and the provisions of any other law shall not  
29 apply to the issuance of such bonds.

1 27. Bonds of a county transportation authority may be sold by  
2 the authority at public or private sale at a price or prices as  
3 the authority shall determine, but the interest cost to maturity of  
4 the money received for any issue of bonds shall not exceed that  
5 specified in the bond resolution.

1 28. The county transportation authority shall cause a copy of  
2 any bond resolution adopted by it to be filed for public inspection  
3 in its office and in the office of the clerk of the governing bodies  
4 of the counties and municipalities within the district, and shall  
5 thereupon cause to be published, at least once, in a newspaper  
6 published or circulating in the district, a notice stating the fact  
7 and date of such adoption and the places where the bond resolution  
8 has been filed for public inspection; the date of the first publication  
9 of the notice; and, that any action or proceeding of any kind or  
10 nature in any court questioning the validity or proper authoriza-  
11 tion of bonds provided for by the bond resolution, or the validity  
12 of any covenants, agreements or contracts provided for by the  
13 bond resolution, shall be commenced within 20 days after the first  
14 publication of notice. If the notice shall be published, and if no  
15 action or proceeding questioning the validity or proper authoriza-  
16 tion of bonds provided for by the bond resolution referred to in  
17 the notice, or the validity of any covenants, agreements or con-  
18 tracts provided for by the bond resolution, shall be commenced or  
19 instituted within 20 days after the first publication of the notice,  
20 then all residents and taxpayers and owners of property in the  
21 district and users of the transportation system and all other per-  
22 sons whatsoever shall be forever barred and foreclosed from in-  
23 stituting or commencing any action or proceeding in any court, or  
24 from pleading any defense to any action or proceeding, questioning  
25 the validity or proper authorization of the bonds, or the validity  
26 of such covenants, agreements or contracts, and the bonds, con-  
27 venants, agreements and contracts shall be conclusively deemed  
28 to be valid and binding obligations in accordance with their terms  
29 and tenor.

1 29. Any bond resolution of a country transportation authority  
2 providing for or authorizing the issuance of any bonds may contain  
3 provisions, and the authority, in order to secure the payments of  
4 such bonds and in addition to its other powers, shall have power by  
5 provision in such bond resolution to covenant with the several  
6 holders of the bonds, as to:

7 a. The custody, security, use, expenditure or application of the  
8 proceeds of the bonds;

9 b. The construction and completion, or replacement, of all or  
10 any part of the transportation system;

11 c. The use, regulation, operation, maintenance, insurance or  
12 disposition of all or any part of the transportation system, or re-  
13 strictions on the exercise of the powers of the authority to dispose  
14 or to limit or regulate the use of all or any part of the transporta-  
15 tion system;

16 d. Payment of the principal of or interest on the bonds, or any  
17 other obligations, and the sources and methods thereof, the rank  
18 or priority of any bonds or obligations as to any lien or security,  
19 or the acceleration of the maturity of any bonds or obligations;

20 e. The use and disposition of any moneys of the authority, in-  
21 cluding revenues derived or to be derived from the operation of all  
22 or any part of the transportation system, including any parts  
23 thereof theretofore constructed or acquired and any parts, exten-  
24 sions, replacements or improvements thereof thereafter constructed  
25 or acquired;

26 f. Pledging, setting aside, depositing or trusteeing all or any  
27 part of the revenues or other moneys of the authority to secure  
28 the payment of the principal of or interest on the bonds or any  
29 other obligations or the payment of expenses of operation or main-  
30 tenance of the transportation system, and the powers and duties  
31 of any trustee with regard thereto;

32 g. The setting aside out of the revenues or other moneys of the  
33 authority of reserves and sinking funds, and the source, custody,  
34 security, regulation, application and disposition thereof;

35 h. Determination or definition of the revenues or of the expenses  
36 of operation and maintenance of the transportation system;

37 i. The rents, rates, fees, or other charges in connection with or  
38 for the use of the transportation system, including any parts  
39 thereof theretofore constructed or acquired and any parts, exten-  
40 sions, replacements or improvements thereof thereafter constructed  
41 or acquired, and the fixing, establishment, collection and enforce-  
42 ment of the same, the amount or amounts of revenues to be pro-  
43 duced thereby, and the disposition and application of the amounts  
44 charged or collected;

45 j. The assumption or payment or discharge of any indebtedness,  
46 liens or other claims relating to any part of the transportation  
47 system or any obligations having or which may have a lien on any  
48 part of the revenues;

49 k. Limitations on the issuance of additional bonds or any other  
50 obligations or on the incurrence of indebtedness of the authority;

51 l. Limitations on the powers of the authority to construct, ac-  
52 quire or operate, or to consent to the construction, acquisition or  
53 operation of, any structures facilities or properties which may  
54 compete or tend to compete with the transportation system, pro-  
55 vided that such limitations may not be imposed without the consent  
56 of the New Jersey Transit Corporation (C. 27:25-1 et seq.);

57 m. Vesting in a trustee or trustees such property, rights, powers  
58 and duties in trust as the authority may determine, which may

59 include any or all of the rights, powers and duties of the trustee  
60 appointed by the holders of bonds pursuant to section 30 of this  
61 act, and limiting or abrogating the right of the bond holders to  
62 appoint a trustee pursuant to section 30 or limiting the rights,  
63 duties, and powers of the trustee;

64 n. The procedure, if any, by which the terms of any covenant  
65 or contract with, or duty to, the holders of bonds may be amended  
66 or abrogated, the amount of bonds of holders of which must consent  
67 thereto, and the manner in which such consent may be given or  
68 evidenced; or

69 o. Any other matter or course of conduct which, by recital in  
70 the bond resolution, is declared to further secure the payment of  
71 the principal of or interest on the bonds and to be part of any  
72 covenant or contract with the holders of the bonds.

73 All provisions of the bond resolution and all covenants and  
74 agreements shall constitute legally binding contracts between the  
75 authority and the several holders of the bonds, regardless of the  
76 time of issuance of the bonds, and shall be enforceable by any  
77 holder or holders by appropriate action, suit or proceeding in any  
78 court of competent jurisdiction.

1 30. a. If the bond resolution of a county transportation au-  
2 thority authorizing or providing for the issuance of a series of its  
3 bonds shall provide in substance that the holders of the bonds of  
4 the series shall be entitled to the benefits of this section, then if  
5 there shall be a default in the payment of principal of or interest  
6 on any bonds of the series after the same shall become due, whether  
7 at maturity or upon call for redemption, and if the default shall  
8 continue for a period of 30 days, or if the authority shall fail or  
9 refuse to comply with any of the provisions of this act or shall fail  
10 or refuse to carry out and perform the terms of any contract with  
11 the holders of the bonds, and if the failure or refusal shall continue  
12 for a period of 30 days after written notice to the authority of its  
13 existence and nature, the holders of 25% in aggregate principal  
14 amount of the bonds of the series then outstanding by instrument  
15 or instruments filed in the office of the Secretary of State and  
16 proved or acknowledged in the same manner as a deed to be re-  
17 corded, may appoint a trustee to represent the holders of the  
18 bonds of the series for the purposes provided in this section.

19 b. The trustee may and upon written request of the holders of  
20 25% in aggregate principal amount of the bonds of the series then  
21 outstanding shall, in his or its own name:



22 (1) By any action, or other proceeding, enforce all rights of the  
23 holders of the bonds, including the right to require the authority to  
24 charge and collect facility or service charges adequate to carry out  
25 any contract as to, or pledge of, revenues, and to require the au-  
26 thority to carry out and perform the terms of any contract with  
27 the holders of the bonds or its duties under this act;

28 (2) Bring an action upon all or any part of the bonds or interest  
29 coupons or claims appurtenant thereto;

30 (3) By action, require the authority to account as if it were  
31 the trustee of an express trust for the holders of the bonds;

32 (4) By action, enjoin any acts or things which may be unlawful  
33 or in violation of the rights of the holders of the bonds; or,

34 (5) Declare all the bonds due and payable, whether or not in  
35 advance of maturity, upon 30 days' prior notice in writing to the  
36 authority and, if all defaults shall be made good, then with the  
37 consent of the holders of 25% of the principal amount of the bonds  
38 then outstanding, annul such declaration and its consequences.

39 c. The trustee shall, in addition to the foregoing, have and possess  
40 all of the powers necessary or appropriate for the exercise of the  
41 functions specifically set forth herein or incident to the general  
42 representation of the holders of bonds of the series in the enforce-  
43 ment and protection of their rights.

44 d. In any action or proceeding by the trustee, the fees, counsel  
45 fees and expenses of the trustee and of the receiver, if any,  
46 appointed pursuant to this act, shall, if allowed by the court, con-  
47 stitute taxable costs and disbursements, and all costs and dis-  
48 bursements, allowed by the court, shall be a first charge upon any  
49 facility and service charges and revenues of the authority pledged  
50 for the payment or security of bonds of the series.

1 31. If the bond resolution of a county transportation authority  
2 authorizing or providing for the issuance of a series of its bonds  
3 shall provide in substance that the holders of the bonds of the series  
4 shall be entitled to the benefits of section 30 of this act and shall  
5 further provide in substance that any trustee appointed pursuant  
6 to section 30 or having the powers of a trustee shall have the  
7 powers provided by this section, then the trustee, whether or not  
8 all of the bonds of the series shall have been declared due and  
9 payable, shall be entitled to the appointment of a receiver of the  
10 transportation system, and the receiver may enter upon and take  
11 possession of the transportation system and, subject to any pledge  
12 or contract with the holders of the bonds, shall take possession of  
13 all moneys and other property derived from or applicable to the

14 acquisition, construction, operation, maintenance or reconstruction  
15 which the authority is under any obligation to do, and operate,  
16 maintain and reconstruct the transportation system and fix, charge,  
17 collect, enforce and receive the facility and service charges and all  
18 revenues thereafter arising subject to any pledge thereof or con-  
19 tract with the holders of the bonds relating thereto, and perform  
20 the public duties and carry out the contracts and obligations of  
21 the authority in the same maner as the authority itself might do  
22 and under the direction of the court.

1 32. Neither the members of the county transportation authority  
2 nor any person executing bonds issued pursuant to this act shall be  
3 liable personally on the bonds by reason of the issuance thereof.  
4 Bonds or other obligations issued by the authority pursuant to this  
5 act shall not be in any way a debt or liability of the State or of  
6 any county or municipality and shall not create or constitute any  
7 indebtedness, liability or obligation of the State or of any county or  
8 municipality. Nothing contained in this act shall be construed to  
9 authorize any county transportation authority to incur any indebt-  
10 edness on behalf of or in any way to obligate the State or any  
11 county or municipality.

1 33. Notwithstanding the provisions of any law to the contrary,  
2 any bond or other obligation issued pursuant to this act shall be  
3 fully negotiable within the meaning and for all purposes of the  
4 negotiable instruments law of the State, and each holder or owner  
5 of a bond or other obligation, or of any coupon appurtenant thereto,  
6 by accepting the bond, obligation or coupon shall be conclusively  
7 deemed to have agreed that the bond, obligation or coupon is and  
8 shall be fully negotiable within the meaning and for all purposes  
9 of said negotiable instruments law.

1 34. a. The authority shall have the power to acquire by purchase,  
2 condemnation, lease, gift or otherwise, on terms and conditions and  
3 in the manner it deems proper, for use by the authority or for use  
4 by any other public or private entity providing rail passenger,  
5 motorbus regular route, paratransit, marine passenger, air passen-  
6 ger or motorbus charter services, all or part of the facility, plant,  
7 equipment, property, shares of stock, rights of property, reserve  
8 funds, employees pension or retirement funds, special funds, fran-  
9 chises, licenses, patents, permits and papers, documents and records  
10 of a public or private entity providing any such service within the  
11 district.

12 b. The authority shall also have the power to acquire by purchase,  
13 condemnation, lease, gift or otherwise, on the terms and conditions

14 and in the manner it deems proper, any land or property real or  
 15 personal, tangible or intangible which it may determine is reason-  
 16 ably necessary for the purposes of the authority under the provi-  
 17 sions of this act.

18 c. (1) The authority, when acquiring property pursuant to sub-  
 19 sections a. or b. of this section shall exercise its power of eminent  
 20 domain in accordance with the provisions of the "Eminent Domain  
 21 Act of 1971," P. L. 1971, c. 361 (C. 20:3-1 et seq.).

22 (2) For purposes of this act, the definition of property in  
 23 section 2 of P. L. 1971, c. 361 (C. 20:3-2) includes all property  
 24 referred to in subsections a. or b. of this section, and the provisions  
 25 of P. L. 1971, c. 361 shall apply to that property.

26 d. (1) If the authority shall determine to acquire by condemna-  
 27 tion all outstanding shares of corporate stock of a company, and if  
 28 the stock is owned by 10 or more individuals or entities, the court,  
 29 on application of the authority, shall appoint a trustee who shall act  
 30 as representative of all stockholders for the purpose of the con-  
 31 demnation proceedings. Upon the appointment of a trustee the  
 32 authority may file a single condemnation action condemning all  
 33 outstanding shares of stock and naming the appointed trustee as  
 34 representative of all defendant owners.

35 (2) When a trustee has been appointed pursuant to this section,  
 36 the court may award the trustee a reasonable fee as payment for  
 37 services rendered. Other costs, expenses and fees shall be paid from  
 38 the proceeds of the condemnation award or settlement if amicably  
 39 resolved.

40 e. A State agency, State authority, county, municipality, bistate  
 41 authority, or other political subdivision of the State is authorized  
 42 to donate, give, transfer or assign any asset or property it now  
 43 owns or may hereafter acquire to the authority which may be  
 44 necessary for the furtherance of the objectives of this act.

45 f. Upon the filing of a declaration of taking the authority shall be  
 46 entitled to the immediate possession of all property and assets  
 47 named therein; and in the case of a condemnation pursuant to  
 48 subsection d. or the acquisition of the entire assets of any entity,  
 49 the authority shall be entitled to immediate possession and control  
 50 of all assets and facilities and shall have exclusive management  
 51 authority over the entity taken.

1 35. a. As used in this section:

2 (1) "Employee" means

3 (a) An employee of the authority; or,

4 (b) An employee of any public or private entity acquired,  
 5 owned or operated by the authority.

6       “Employee” does not include an employee of a public or  
7 private entity, other than as provided in subsection f. of this  
8 section and in (a) and (b) above, which provides public trans-  
9 portation services pursuant to operating rights granted by a  
10 regulatory body or pursuant to authority arising from con-  
11 tractual agreements entered into with the authority pursuant  
12 to section 18 of this act. Except as provided in subsection g. of  
13 this section, “employee” does not include a supervisory  
14 employee as defined under the “Labor Management Relations  
15 Act, 1947” (29 U.S.C. 141 et seq.) or a managerial executive  
16 or confidential employee as defined under the “New Jersey  
17 Employer-Employee Relations Act,” P. L. 1941, c. 100  
18 (C. 34:13A-1 et seq.).

19       (2) “Employer” means an employer of an employee.

20       (3) “Acquisition by the authority of a public or private entity  
21 which provides public transportation services,” or words of like  
22 import, mean an acquisition effected by a purchase or condemna-  
23 tion of all, or a controlling interest in, the stock or other equity  
24 interest of the entity, or purchase or condemnation of all or sub-  
25 stantially all of the assets of the entity.

26       b. In accordance with law, employees of the employer shall have  
27 and retain their rights to form, join or assist labor organizations  
28 and to negotiate collectively through exclusive representatives of  
29 their own choosing.

30       c. The enforcement of the rights and duties of the employer and  
31 employees shall be governed by the “New Jersey Employer-  
32 Employee Relations Act” P. L. 1941, c. 100 (C. 34:13A-1 et seq.)  
33 and shall be within the jurisdiction of the Public Employment  
34 Relations Commission established pursuant to that act. In carrying  
35 out this function, the commission shall be guided by the relevant  
36 Federal or State labor law and practices, as developed under the  
37 “Labor Management Relations Act, 1947” or under the “Railway  
38 Labor Act,” (45 U.S.C. 151 et seq.); provided, however, that em-  
39 ployees shall not have the right to strike except as provided by the  
40 “Railway Labor Act.” Whenever negotiations between the  
41 employer and an exclusive representative concerning the terms  
42 and conditions of employment shall reach an impasse, the commis-  
43 sion shall, upon the request of either party, take such steps as it  
44 may deem expedient to effect a voluntary resolution of the impasse,  
45 including the assignment of a mediator. In the event of a failure  
46 to resolve the impasse by mediation, the commission shall, at the  
47 request of either party, invoke fact finding with recommendations

48 for settlement of all issues in dispute. Fact-finding shall be limited  
49 to those issues that are within the required scope of negotiations.  
50 In the event of a continuing failure to resolve an impasse by means  
51 of the procedure set forth above, and notwithstanding the fact  
52 that such procedures have not been exhausted, but not later than  
53 30 days prior to the expiration of a collectively negotiated contract,  
54 the procedures set forth in paragraph (2) of subsection d. of  
55 Section 3 and Sections 4 through 8 of P. L. 1977, c. 85  
56 (C. 34:13A-16(d)(2) through 34:13A-21) shall be the sole method  
57 of dispute resolution, unless the parties mutually agree upon an  
58 alternative form of arbitration;

59 d. The majority representative of employees in an appropriate  
60 unit shall be entitled to act for, and negotiate successor agreements  
61 covering, all employees in the unit and shall be responsible for  
62 representing the interests of those employees without discrimina-  
63 tion. It shall be the mutual obligation of the employer and the  
64 majority representative of any of its employees to negotiate collec-  
65 tively with respect to mandatorily negotiable subjects which inti-  
66 mately and directly affect the work and welfare of employees.  
67 These subjects include wages, hours of work, the maintenance  
68 of union security and check-off arrangements, pensions, and other  
69 terms and conditions of employment. The obligation to negotiate  
70 in good faith encompasses the responsibility to meet at reasonable  
71 times and to confer on matters properly presented for negotiations  
72 and to execute a written contract containing an agreement reached,  
73 but the obligation does not compel either party to agree to a pro-  
74 posal or require the making of a concession.

75 e. In acquiring, operating, or contracting for the operation of  
76 public transportation services, the authority shall make provision  
77 to assure continuing representation for collective negotiations on  
78 behalf of employees, giving due consideration to preserving estab-  
79 lished bargaining relationships to the extent consistent with the  
80 purposes of this act. Such relationships may be changed only in  
81 accordance with the principles established under the "Labor  
82 Management Relations Act, 1947" and the "Railway Labor Act."

83 Upon acquisition by the authority of a public or private entity  
84 which provides public transportation services, the authority shall  
85 assume and observe all existing labor contracts of such entity for  
86 their remaining term. All of the employees of the acquired entity,  
87 as defined in subsection a., shall be transferred to the employment  
88 of the employer and appointed to comparable positions without  
89 examination subject to all the rights and benefits of this act, and

90 these employees shall be given sick leave, seniority, vacation, and  
91 pension credits in accordance with the records and labor agree-  
92 ments of the acquired entity.

93 f. For purposes of this subsection:

94 (1) "Employee" means an employee employed, as of the date of  
95 the first acquisition by the authority, by any entity acquired, owned  
96 or operated by the authority or by any other entity which provides  
97 motorbus regular route but does not mean supervisor employees,  
98 managerial executive and confidential employees;

99 (2) "Action by the corporation" mean acquisition, contracts  
100 for motorbus regular route, mergers, consolidations, coordination  
101 and rearrangements of services and work forces, but does not mean:

102 (a) The setting of fares by contract or otherwise unless  
103 such action results in a substantial diversion of riders; or

104 (b) The discontinuance of motorbus regular route services  
105 by the authority to the extent that substantially similar public  
106 transportation service does not continue to be provided; or

107 (c) A failure or refusal, by the authority, to enter into a  
108 contract for all or a portion of an entity's motorbus regular  
109 route service to the extent that substantially similar public  
110 transportation service does not continue to be provided.

111 Except as provided herein, employees whose positions are  
112 worsened with regard to wages, hours, seniority and other terms  
113 and conditions of employment, shall be protected for a period of  
114 5 years from the date of the first acquisition by the authority. This  
115 time limitation does not apply to protections afforded to employees  
116 whose positions are worsened as a result of acquisitions or con-  
117 tracts which transfer responsibility for the provision of substan-  
118 tially similar motorbus regular route service from one entity,  
119 including the authority, to another. With regard to any acquisition  
120 or contract transferring service responsibility, only claims arising  
121 from actions taken within 18 months therefrom shall be eligible for  
122 protection.

123 Protections and procedures to implement such protections shall  
124 be provided in accordance with the terms of the agreement entered  
125 into between the Department of Transportation's Commuter  
126 Operating Agency, established pursuant to P. L. 1966, c. 301  
127 (C. 27 :1A-16 et seq.), and Amalgamated Transit Union on March 2,  
128 1976, except that no protective allowances or other benefits shall  
129 exceed 3 years duration. Pursuant to this agreement, the employer  
130 of the employee shall be considered the "assisted carrier" and  
131 actions of the authority shall constitute the "project."

132 g. For purposes of this subsection, "employees" means indi-  
133 viduals, including supervisory employees, management executives  
134 and confidential employees, who:

135 (1) Have terminated their employment with an acquired entity  
136 with vested retirement benefits; or,

137 (2) Are employed by the authority after accruing retirement  
138 benefits, whether or not vested, while employed by an acquired  
139 entity.

140 The authority as a condition of acquiring a public or private  
141 entity which provides public transportation services, shall ensure  
142 that employees' retirement benefits, which have accrued on the  
143 basis of service to the date of the acquisition, are provided for and  
144 paid as they come due. These benefits shall be provided for and  
145 paid either by the entity so acquired, the former owner or owners  
146 of the entity, an affiliate of the entity, the Pension Benefit Guaranty  
147 Corporation, another public instrumentality, the authority itself,  
148 any other reasonable means, or any combination of the foregoing.  
149 These benefits may be provided for either through existing plans,  
150 new plans, mergers or consolidations of plans, or other appropriate  
151 or reasonable means.

1 36. In addition to other powers conferred by this act or by any  
2 other law, every county transportation authority, in connection  
3 with construction or operation of any part of a transportation  
4 system, shall have power to make reasonable regulations for the  
5 installation, construction, maintenance, repair, renewal, relocation  
6 and removal of tracks, pipes, mains, conduits, cables, wires, towers,  
7 poles or any other equipment and appliances (herein called  
8 "facilities") of any public utility as defined in R. S. 48:2-13, in, on,  
9 along, over or under any real property of the county transportation  
10 authority. Whenever in connection with construction or operation  
11 of any part of a transportation system, any county transportation  
12 authority shall determine that it is necessary that any facilities,  
13 which now are, or hereafter may be, located in, on, along, over or  
14 under any real property, should be relocated in the real property,  
15 or should be removed therefrom, the public utility owning or  
16 operating the facilities shall relocate or remove the same in accord-  
17 ance with the order of the authority; provided, however, that the  
18 cost and expenses of relocation or removal, including the cost of  
19 installing the facilities in a new location, or new locations, and the  
20 cost of any lands or any rights or interest in lands, or any other  
21 rights acquired to accomplish the relocation or removal, less the  
22 cost of any lands or any rights or interest in lands or any other

23 rights of the public utility paid to the public utility in connection  
24 with the relocation or removal of the property, shall be paid by  
25 the authority and may be included in the cost of the transportation  
26 system. In case of any such relocation or removal of facilities, the  
27 public utility owning or operating the same, its successors or  
28 assigns, may maintain and operate the facilities, with the necessary  
29 appurtenances, in the new location or new locations for as long a  
30 period, and upon the same terms and conditions, as it had the right  
31 to maintain and operate the facilities in their former location.

1 37. For the purpose of aiding and cooperating in the planning,  
2 undertaking, acquisition, construction or operation of any facility  
3 of a county transportation authority, any county or municipality  
4 within the district may: a. acquire real property in its name for  
5 any project or for the widening of existing roads, streets, parkways,  
6 avenues or highways or for new roads, streets, parkways, avenues,  
7 or highways to any facility, or partly for such purposes and partly  
8 for other municipal purposes, by purchase or condemnation in the  
9 manner provided by law for the acquisition of real property by the  
10 municipality; b. furnish, dedicate, close, vacate, pave, install, grade,  
11 regrade, plan or replan streets, roads, roadways, alleys, sidewalks  
12 or other places which it is otherwise empowered to undertake;  
13 and, c. do any and all things necessary or convenient to aid and  
14 cooperate in the planning, undertaking, construction or operation  
15 of any such facility, and cause services to be furnished to the  
16 authority of the character which the county or municipality is  
17 otherwise empowered to furnish, and to incur the entire expense  
18 thereof.

1 38. Any county or municipality, by ordinance or resolution of  
2 its governing body, as appropriate, or any other person is hereby  
3 empowered, without any referendum or public or competitive bid-  
4 ding to sell, lease, lend, grant or convey to a county transportation  
5 authority or to permit a county transportation authority to use,  
6 maintain or operate as part of the transportation system any real  
7 or personal property owned by it which may be necessary or useful  
8 and convenient for the purposes of the authority and accepted by  
9 the authority. Any sale, lease, loan, grant, conveyance or permit  
10 may be made with or without consideration and for a specified or  
11 an unlimited period of time and under any agreement and on any  
12 terms and conditions which may be approved by the county or  
13 municipality or other person and which may be agreed to by the  
14 authority in conformity with its contracts with the holders of any  
15 bonds. Subject to any contracts with holders of bonds, the county  
16 transportation authority may enter into and perform any and all



17 agreements with respect to property so accepted by it, including  
18 agreements for the assumption of principal or interest, or both,  
19 of indebtedness of the county or municipality or other person or  
20 of any mortgage or lien existing with respect to such property or  
21 for the operation and maintenance of the property as part of the  
22 transportation system.

1 39. Any county or municipality within the district shall have  
2 power from time to time, pursuant to ordinance or resolution, as  
3 appropriate, of its governing body, and for a period and upon the  
4 terms, with or without consideration, as may be provided in the  
5 ordinance or resolution, as the case may be, and accepted by the  
6 authority, to appropriate money for all or any part of the cost of  
7 acquisition or construction of the transportation system of the  
8 authority.

1 40. Any county transportation authority may enter into a con-  
2 tract or contracts provided for or relating to the use or lease of  
3 all or any part of the transportation system of the authority and  
4 the cost and expense of the use. The contract may provide for  
5 payment to the authority annually or otherwise of a sum or sums  
6 of money for the use, computed at fixed amounts or by a formula  
7 or in any other manner. The contract may be made with or without  
8 consideration and for a specified or an unlimited time and on any  
9 terms and conditions which may be approved and agreed to by the  
10 authority in conformity with its contracts with the holders of any  
11 bonds. Subject to contracts with the holders of bonds, the authority  
12 is authorized to do and perform any and all acts or things neces-  
13 sary, convenient or desirable to carry out and perform every con-  
14 tract.

1 41. Except as otherwise provided in this act with respect to the  
2 right of the county transportation authority to grant by franchise,  
3 lease or otherwise the use of any facility owned or controlled by  
4 it, the authority shall not mortgage, pledge, encumber or otherwise  
5 dispose of any part of the transportation system, except that the  
6 authority may dispose of part or parts thereof as may be no longer  
7 necessary for the purposes of the authority. The provisions of this  
8 section shall be deemed to constitute a part of the contract with the  
9 holder of any bonds.

1 42. All property of a county transportation authority shall be  
2 exempt from levy and sale by virtue of an execution and no execu-  
3 tion or other judicial process shall issue against the same nor shall  
4 any judgment against a county transportation authority be a  
5 charge or lien upon its property, but this section shall not apply

6 to nor limit the rights of the holder of any bonds to pursue any  
7 remedy for the enforcement of any pledge or lien given by a county  
8 transportation authority on its revenues or other moneys.

1 43. Every county transportation authority and any municipality  
2 in which any property of the authority is located are hereby au-  
3 thorized and empowered to enter into agreements with respect to  
4 the payment by the authority to the municipality of annual sums of  
5 money in lieu of taxes on such property in an amount not less than  
6 the amount of taxes last paid on the property prior to its acquisi-  
7 tion by the authority, or such other agreed amount computed on  
8 the basis of the assessed value of real property without improve-  
9 ments, and each county transportation authority is empowered to  
10 make the payments and each municipality is empowered to accept  
11 the payments and to apply them in the manner in which taxes may  
12 be applied in such municipality.

1 44. Notwithstanding the provisions of any other law, the State  
2 and all public officers, municipalities, counties, political subdivi-  
3 sions, and public bodies, and agencies thereof, all banks, bankers,  
4 trust companies, savings banks and institutions, building and loan  
5 associations, savings and loan associations, investment companies,  
6 and other persons carrying on a banking business, all insurance  
7 companies, insurance associations and other persons carrying on an  
8 insurance business, and all executors, administrators, guardians,  
9 trustees and other fiduciaries, may legally invest any sinking funds,  
10 moneys or other funds belonging to them or within their control in  
11 any bonds issued pursuant to this act, and such bonds shall be  
12 authorized security for any and all public deposits.

1 45. The transportation system and all other properties of a  
2 county transportation authority are declared to be public property  
3 of a political subdivision of the State and devoted to an essential  
4 public and governmental function and purpose and shall be ex-  
5 empt from all taxes and special assessments of the State or any  
6 subdivision thereof. All bonds issued pursuant to this act are  
7 hereby declared to be issued by a political subdivision of this State  
8 and for an essential public and governmental purpose and to be  
9 a public instrumentality and the bonds, and the interest thereon  
10 and the income therefrom, and all facility charges, funds, revenues  
11 and other moneys pledged or available to pay or secure the pay-  
12 ment of the bonds, or interest thereon, shall at all times be exempt  
13 from taxation, except for transfer, inheritance and estate taxes  
14 and taxes on transfers by or in contemplation of death.

1 46. The State of New Jersey does hereby pledge to and covenant  
2 and agree with the holders of any bonds issued by a county trans-

3 portation authority pursuant to this act that the State will not  
 4 limit or alter the rights hereby vested in the county transportation  
 5 authority to acquire, construct, maintain, reconstruct and operate  
 6 its transportation system, or to fix, establish, charge and collect  
 7 its facility or service charges and to fulfill the terms of any agree-  
 8 ment made with the holders of such bonds or other obligations, so as  
 9 to in any way impair the rights or remedies of the holders, and will  
 10 not modify in any way the exemptions from taxation provided for  
 11 in this act, until the bonds, together with interest thereon, with  
 12 interest on any unpaid installments of interest, and all costs and  
 13 expenses in connection with any action or proceeding by or on  
 14 behalf of such holders, are fully met and discharged.

1 47. Each county transportation authority shall file a certified  
 2 copy of each bond resolution adopted by it in the office of the  
 3 Director of the Division of Local Government Services, together  
 4 with a certified summary of the dates, amounts, maturities and  
 5 interest rates of all bonds to be issued pursuant thereto, prior to  
 6 the issuance of the bonds. Upon the adoption of each annual budget  
 7 or amendment thereof by a county transportation authority, a  
 8 certified copy thereof shall be filed forthwith with the director.

1 48. If the provisions of any article, section, subsection, para-  
 2 graph, subdivision or clause of this act shall be judged invalid by  
 3 a court of competent jurisdiction, the order or judgment shall not  
 4 affect or invalidate the remainder of any article, section, subsec-  
 5 tion, paragraph, subdivision or clause of this act and, to this end,  
 6 the provisions of each article, section, subsection, paragraph, sub-  
 7 division or clause of this act are declared to be severable.

1 49. This act shall take effect immediately.

A 1220 (1950)  
 STATEMENT

The purpose of this bill is to encourage certain counties to include modern, integrated and adequate mass transit systems in their development and redevelopment efforts through the establishment of county transportation authorities. A county transportation authority would be empowered to undertake the improvement, establishment and development of parking facilities and transportation facilities through the planning, design, acquisition, construction, improvement, maintenance and operation of structures designed to provide rail passenger service, motorbus regular route service, paratransit service, motorbus charter service, marine or air passenger service.

A county transportation authority would also be empowered to acquire by purchase, condemnation, lease or otherwise any public or private entity providing transportation services within its district, and to operate the acquired facilities. The bill provides for procedural requirements with respect to the exercise of condemnation powers over private entities and for the protection of employee rights, privileges and benefits previously enjoyed with such private entity. The condemnation procedures and employee protection provisions are similar to those set forth in P. L. 1979, c. 150 (C. 27:25-1 et seq.) for the New Jersey Transit Corporation.

An authority would be empowered to set and collect fares and determine levels of service for services provided by the authority, subject to public hearing requirements. The bill provides that the county transportation authority shall be exempt from public utility regulation and control of the Department of Transportation except with respect to maintenance, specification and safety of authority vehicles.

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ASSEMBLY COMMITTEE STATEMENT TO  
COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 1220**

**STATE OF NEW JERSEY**

DATED: JUNE 9, 1980

This committee substitute addresses the intense pressures and demands placed upon the citizens of the Atlantic county region, as a result of the introduction of legalized gaming in Atlantic City, for the development and provision of integrated and adequate transportation systems. The bill authorizes the creation of an appropriate regionally-oriented instrumentality in the county which will permit the most direct and immediate attention to the particular transportation needs of that region consistent with needs, and procedures and structures established for efficient and convenient Statewide transportation systems.

The county transportation authority would be empowered to undertake the improvement, establishment and development of parking facilities and transportation facilities through the planning, design, acquisition, construction, improvement, maintenance and operation of structures designed to provide rail passenger service, motorbus regular route service, paratransit service, motorbus charter service, marine and air passenger service. The authority would proceed in these activities pursuant to a transportation system master plan prepared by the authority and approved by an independent transportation planning agency designated by the Commissioner of Transportation. In implementing that master plan, the authority would be authorized to acquire by purchase, condemnation, lease or otherwise any public or private entity providing transportation services within its district, and to operate the acquired facilities. The bill provides for procedural requirements with respect to the exercise of condemnation powers over private entities and for the protection of employee rights, privileges and benefits previously enjoyed with such private entity. The condemnation procedures and employee protection provisions are similar to those set forth in P. L. 1979, c. 150 (C. 27:25-1 et seq.) for the New Jersey Transit Corporation.

In order to provide for an integrated transportation system for the region, the bill provides that a county adopting the act shall not utilize any other law for the provision of public transportation services which can be provided under this act, nor create any county parking authority. The bill similarly prohibits municipalities within the county from doing so. The bill requires that any parking authority previously established by the county or by any municipality within the county be dissolved and

that the property, assets and indebtedness of such an authority be transferred to the county transportation authority.

The county transportation authority would consist of 5 public members, appointed by the county governing body, one member who shall be a county officer appointed by the county governing body, and the Commissioner of Transportation or his designee. One of the public members shall be designated as chairman upon appointment. No more than 3 of the 6 members appointed by the county governing body could be of the same political party. Members are prohibited from having or acquiring any interest in the transportation system, in property included or planned to be included in the transportation system, or in property adjacent to the transportation system which would directly benefit from that location, or in any contract for materials or services to the authority. The bill specifically prohibits any person who is an officer, director or employee of a holder of or applicant for a casino license from being a member or officer of the authority.

The bill contains several provisions designed to coordinate transportation plans of the authority with procedures and structures established to meet Statewide transportation needs, including:

1. A requirement that the annual fiscal report of the authority be submitted to the Commissioner of Transportation prior to the implementation of plans set forth in the report. The report would be deemed approved if not disapproved in 60 days. The timing of the report is designed to coincide with the preparation and submission of the annual plans of the New Jersey Transit Corporation to the Legislature in order to permit effective coordination of the activities of the two instrumentalities;
2. A requirement that authority applications for Federal funding be approved by the Commissioner of Transportation; and,
3. A requirement that authority contracts for the provision of public transportation services, except for marine and air passenger services, outside the district be consented to by the New Jersey Transit Corporation and the Commissioner of Transportation.

The bill requires that authority bond resolutions be submitted to the Local Finance Board for its review with respect to the accuracy of the cost determination, the method of funding, the reasonability and feasibility of the terms and provisions for financing, the financial burden placed upon residents of the district, and the ability of the authority to meet its obligations. A bond resolution would be deemed approved if not disapproved within 90 days.

The chief executive officer of the county is accorded 10 days veto power over the minutes of authority meetings. The veto power is limited not to affect bond covenants or labor agreements.

The authority would be empowered to set and collect fares and determine levels of service for services provided by the authority, subject to public hearing requirements. The bill provides that the county transportation authority shall be exempt from public utility regulation and control of the Department of Transportation except with respect to maintenance, specification and safety of authority vehicles.

The committee substitute provides for public contract procedures and requirements for the authority based upon those under which the New Jersey Transit Corporation operates. These procedures and requirements permit the authority the greatest flexibility compatible with the principle of open public bidding on contracts with respect to the preparation of specifications and the awarding of contracts for a general transit system. Specifically, the provisions permit the authority to award a contract to the responsible bidder whose bid will be most advantageous to the district, price and other factors considered.

The committee substitute also clarifies the applicability of the act to counties in which are located municipalities in which casino gaming is authorized, set forth in the Legislative findings and declarations section the exceptional nature of the transportation problems experienced in the Atlantic county region because of the developments associated with casino gaming, and provide for authority membership appropriate for a regionally-oriented instrumentality.

Additionally, the committee substitute provides that any cash surplus accumulated by a parking authority, not used in or necessary to the operations of the properties and projects of the parking authority, shall be transferred to the local unit which created the parking authority. All other property, assets and indebtedness of that parking authority are to be transferred to the county transportation authority.

The committee substitute also requires the county transportation authority to abide by an affirmative action policy and to include affirmative action requirements in all contracts awarded by the authority.

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