

27:1A-1 thru 42

February 13, 1970

LEGISLATIVE RECORDS ON P.S. 2811-1 through 42
State Department of Transportation

L. 1966 - C. 301 - S413

May 23 - Introduced by Keefe and others.

May 31 - Passed in Senate, amended.

June 13 - Passed in Assembly, amended.

June 15 - Assembly amendment, passed in Senate.

December 12 - Approved, Chapter 301.

Amended during passage (copies enclosed of original bill and amendments.
No statement.

Statement by Governor on signing (copy attached).

This was amended by:

L. 1967 - C71 - S429

No statement.

Not amended during passage

L. 1967 - C138 - A819

No statement.

Amended (copies enclosed of original bill and amendment).

No hearings or reports were located.

Numerous clippings at vehicle file - New Jersey Transportation Department.

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67

SENATE, No. 429

STATE OF NEW JERSEY

INTRODUCED APRIL 10, 1967

By Senator CRABIEL

Referred to Committee on Highways, Transportation
and Public Utilities

AN ACT to amend "An act establishing and concerning a Department of Transportation as a principal department in the Executive Branch of the State Government, establishing therein a Commuter Operating Agency, providing an appropriation therefor, repealing chapter 88 of the laws of 1964, and supplementing Title 27 of the Revised Statutes," approved December 12, 1966 (P. L. 1966, c. 301).

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

3 1. Section 5 of the act of which this act is amendatory is amended
4 to read as follows:

5 5. The commissioner, as head of the department, shall have all
6 of the functions, powers and duties heretofore vested in the State
7 Highway Commissioner and shall, in addition to the functions,
8 powers and duties invested in him by this act or by any other law:

amplify & insert actual role.

9 (a) Develop, from time to time revise and maintain a compre-
10 hensive master plan for transportation development;

11 (b) Develop *and promote* programs [designed] to foster efficient
12 and economical public transportation services in the State;

13 (c) Prepare plans for the preservation and improvement of the
14 commuter railroad system;

15 (d) Develop plans for more efficient public transportation serv-
16 ice by motor bus operators; develop statistics, analyses, and other
17 data of use to bus operators in the provision of public transpor-
18 tation service; facilitate more effective co-ordination between bus
19 service and other forms of public transportation, particularly the
20 commuter railroads; review petitions for motor bus franchises
21 in areas served by the commuter railroad system and make ap-
22 propriate recommendations *on such petitions* [thereon to the Board
23 of Public Utility Commissioners];

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

1 (e) Co-ordinate the transportation activities of the department
2 with those of other public agencies and authorities;

3 (f) Co-operate with interstate commissions and authorities,
4 State departments, councils, commissions and other State agencies,
5 with appropriate Federal agencies, and with interested private
6 individuals and organizations in the co-ordination of plans and
7 policies for the development of air commerce and air facilities; and

8 (g) Make an annual report to the Governor and the Legislature
9 of the department's operations, and render such other reports
10 as the Governor shall from time to time request or as may be
11 required by law.

12 2. Section 15 of the act of which this act is amendatory is
13 amended to read as follows:

14 15. Hereafter in this act, unless the context indicates another
15 or different meaning or intent:

16 (a) "Carrier" shall mean any individual, co-partnership, asso-
17 ciation, corporation, joint stock company, receiver or trustee
18 operating any railroad or motor bus in this State *or* between
19 points in this State and between [such] points [and adjacent
20 metropolitan areas] in other States, for public use;

21 (b) "Agency" shall mean the Commuter Operating Agency;

22 (c) "Passenger service" shall mean the operation of railroad
23 trains to carry commuter and *other* [suburban] passengers [be-
24 tween points] in this State *or between points in this State* and
25 between [such] points [and adjacent metropolitan areas] in
26 other States, or the operation of motor buses to transport pas-
27 sengers [to and from railroad stations or in lieu of railroad pas-
28 senger service] *in this State or between points in this State and*
29 *points in adjacent States;*

30 (d) "Improvements to capital facilities" shall mean in connec-
31 tion with passenger service the acquisition, construction, recon-
32 struction, relocation, removal, establishment or rehabilitation of
33 passenger stations and terminals, automobile parking facilities,
34 track connections, signal systems, power systems, roadbeds, equip-
35 ment storage and servicing facilities, bridges, grade crossings,
36 railroad passenger cars, locomotives and motor buses, *wherever*
37 *such improvements are included in determinations filed as required*
38 *by section 17 of this act.*

39 3. Section 16 of the act of which this act is amendatory is
40 amended to read as follows:

41 16. (a) There is hereby established in the Department of Trans-
42 portation the Commuter Operating Agency *which for civil service*
43 *purposes shall be considered to be a board.*

*2-2-1960
State*

1 (b) The agency shall consist of 4 members who shall be the
2 Commissioner of Transportation, the Assistant Commissioner for
3 Public Transportation, the State Treasurer and the President of
4 the Board of Public Utility Commissioners, or their respective
5 designees.

6 (c) The Commissioner and the Assistant Commissioner for
7 Public Transportation shall be the chairman and secretary, re-
8 spectively, of the agency. The executive director of the agency
9 shall be an officer of the department so designated by the com-
10 missioner in writing, which designation shall be filed with the
11 Secretary of State. Such designation shall continue in effect until
12 the commissioner shall, in the manner herein provided, designate
13 another officer in the department as such executive director. The
14 executive director shall have such powers and duties as are dele-
15 gated to him by the agency from time to time.

16 (d) The commissioner shall assign to the agency such em-
17 ployees of the department as may be necessary for the efficient
18 operation of the work of the agency. The agency may also appoint,
19 retain and employ, to serve at its pleasure, a director of operations
20 and a deputy director of operations, and it shall determine their
21 qualifications, duties, services and compensation.

22 (e) The powers of the agency shall be vested in the members
23 thereof and 3 members of the agency or their designees shall con-
24 stitute a quorum at any meeting thereof. Action may be taken and
25 motions and resolutions adopted by the agency at any meeting
26 thereof by the affirmative vote of at least 3 members or their
27 designees. No vacancy in the membership of the agency shall im-
28 pair the right of a quorum to exercise all the rights and perform
29 all the duties of the agency.

30 (f) A true copy of the minutes of every meeting of the agency
31 shall be delivered forthwith by and under the certification of the
32 secretary thereof, to the Governor. No action taken at such meet-
33 ing by the agency shall have force or effect until 10 days after such
34 copy of the minutes shall have been so delivered. If, in said 10-
35 day period, the Governor returns such copy of the minutes with
36 veto of any action taken by the agency or any member thereof at
37 such meeting, such action shall be null and of no effect.

38 4. Section 18 of the act of which this act is amendatory is
39 amended to read as follows:

40 18. In order to conserve and improve passenger service neces-
41 sary for public use now and in future years in this State, but
42 subject to the limitations of this act, the State of New Jersey, act-
43 ing by and through the agency, may enter into contracts with any

1 rail carrier, providing for acceptance by such carrier of all or any
2 part of the agency's determination. Prior to entering into any
3 such contract, the agency shall hold public hearings where it shall
4 make known the terms and conditions of the proposed contract
5 to interested parties and the general public. Every contract entered
6 into pursuant to this section shall be subject to the following terms
7 and conditions:

8 (a) Contracts involving expenditure of public funds for im-
9 provements to capital facilities shall require continuance of speci-
10 fied passenger service by the carrier for stated periods not limited
11 to a fiscal year, and shall further require that title to such improve-
12 ments shall be vested with the State, except that where public
13 funds are expended to repair or rehabilitate existing facilities,
14 such title to or other interest in such [facilities] *improvements*
15 as the carrier may have shall be the subject of negotiation between
16 the agency and the carrier.

17 (b) No such contract [with respect to any fiscal year] shall
18 provide for payments by the State for service rendered *with re-*
19 *spect to such fiscal year* in excess of the loss from [commuter and
20 suburban] passenger service during the previous calendar year
21 as shown in the determination for that fiscal year. If during any
22 contract period a carrier shall realize a profit from [its] *the*
23 *passenger service contracted for*, which profit exceeds a return on
24 investment of 6%, $\frac{1}{2}$ of the excess shall be paid to the agency. The
25 accounting procedures to be employed to determine the extent of
26 any profit or loss, as the case may be, shall be a subject of negotia-
27 tion between the parties to the contract.

28 (c) Every such contract shall describe the passenger service
29 which the carrier shall be required to operate. Such description
30 shall set forth the operation of the contracted service which shall
31 include timetables, train consists and fair tariffs applicable to the
32 service and any other provisions that the agency may deem rea-
33 sonable.

34 5. Section 19 of the act of which this act is amendatory is
35 amended to read as follows:

36 19. The agency may enter into contracts with any motor bus
37 carrier to operate passenger service [(a) in lieu of railroad pas-
38 senger service whenever the latter is terminated subsequent to
39 the effective date of this act, or (b) from and to railroad stations
40 as part of an integrated service] *which the agency shall determine*
41 *(a) to be necessary to provide or encourage adequate commuter*
42 *or intercity bus service and (b) would not otherwise be provided*
43 *or made available without State assistance. Payment by the agency*

1 for such passenger service shall be based on the actual cost of such
2 service to the motor bus carrier plus a 6% return on investment.
3 The agency may also enter into contracts with any motor bus
4 carrier pursuant to which the agency may acquire, purchase or
5 rehabilitate motor buses for lease to such carrier to be operated
6 in specified passenger service, provided that any State funds ex-
7 pended for such programs are at least equally matched by Fed-
8 eral funds.

9 6. Section 22 of the act of which this act is amendatory is
10 amended to read as follows:

11 22. Each contract shall contain conditions, terms and provisions
12 as the agency may require including, but not limited to, provisions
13 permitting or relating to (a) determination of contracted service
14 satisfactorily operated, (b) deductions or penalties with respect
15 to unsatisfactory service, (c) auditing and settlement of payments,
16 (d) termination, waivers, release, modification or other effect in
17 event of nonperformances, or of strikes, riots, disasters, acts of
18 God or condition not caused or permitted by the carrier or within
19 its control, (e) additional obligations of the carrier, and (f) any
20 such other matters as the agency deems to be in the public interest.
21 *Any such contract may also provide for the rendering of additional*
22 *service by the carrier, on an experimental basis or for an experi-*
23 *mental period or otherwise, and for the payment by the State of*
24 *additional compensation not exceeding the estimated actual cost*
25 *of such additional service to the carrier, which additional compen-*
26 *sation shall not be limited by the provisions of the first sentence*
27 *of section 18(b).*

28 7. Section 24 of the act of which this act is amendatory is
29 amended to read as follows:

30 24. Every carrier entering into a contract shall be obligated to
31 continue during the term of the contract all existing passenger
32 service and fares applicable thereto, except that the contract shall
33 afford the carrier the right to petition the agency for changes in
34 passenger service and applicable fares during the term of the
35 contract. If such a petition includes an application to decrease the
36 number of trains, a substantial change in schedules or an increase
37 in fares, the agency, prior to making any determination with re-
38 spect thereto, shall hold a public hearing on notice. In acting on
39 any such petition the agency shall give due consideration to the
40 following factors:

41 (a) The availability of alternative means of public transpor-
42 tation.

43 (b) The potential cost of continuing the service sought to be
44 curtailed or discontinued.

1 (c) The cost to the State of providing alternative transporta-
2 tion facilities either by common carriers or highway improvement.

3 (d) The resulting effect on State and local population trends,
4 economic values and tax revenues.

5 The authority hereby given the agency with respect to the dis-
6 continuance, curtailment, abandonment or change in passenger
7 service shall be exercised during the contract period without re-
8 gard or reference to the jurisdiction vested in the Board of Public
9 Utility Commissioners by section 48:2-24 of the Revised Statutes.
10 At the conclusion of the contract period the Board of Public Utility
11 Commissioners shall resume such jurisdiction but no carrier shall
12 be required to restore any service discontinued as aforesaid *unless*
13 *the Board of Public Utility Commissioners shall determine, after*
14 *notice and hearing, that the service is required by public con-*
15 *venience and necessity.*

16 *Notwithstanding any other provisions of this act, all vehicles*
17 *used by any motor bus carrier pursuant to contracts authorized*
18 *by this section shall be subject to the jurisdiction of the Board of*
19 *Public Utility Commissioners with respect to insurance, main-*
20 *tenance, specifications and safety to the same extent such jurisdic-*
21 *tion is conferred upon the board by Title 48, Public Utilities, as*
22 *amended and supplemented.*

23 8. Section 29 of the act of which this act is amendatory is
24 amended to read as follows:

25 29. There is hereby established in the Department of Trans-
26 portation a Commuter Advisory Committee. Such committee shall
27 consist of the Assistant Commissioner for Public Transportation
28 as chairman, and 10 other members appointed by the Governor as
29 follows: 2 citizens of the State who are commuters; 2 mayors of
30 municipalities *or members of boards of chosen freeholders of coun-*
31 *ties served by railroads under contract to the State; 2 officials of*
32 *unions representing employees of railroads under contract to the*
33 *State; 2 officials of railroads *or motorbus carriers* under contract*
34 *to the State; and 2 public members who shall be citizens of the State.*

35 9. This act shall take effect immediately.