

FISCAL NOTE
[Second Reprint]
ASSEMBLY, No. 1545
STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: SEPTEMBER 25, 2026

SUMMARY

Synopsis: Concerns parking violations that obstruct NJT bus operations and bicycle lanes in certain circumstances.

Type of Impact: Annual State expenditure and revenue increases.

Agencies Affected: New Jersey Transit Corporation.

Executive Estimate

Fiscal Impact	FY 2027 – FY 2028	FY 2029	Thereafter
State Expenditure Increase	\$2 million	\$1.5 million	\$1.5 million
State Revenue Increase	\$0	\$1 million	Less than \$1 million

Office of Legislative Services Estimate

Fiscal Impact	FY 2027 – FY 2028	FY 2029	Thereafter
State Expenditure Increase	\$2 million	\$1.5 million	\$1.5 million
State Revenue Increase	\$0	\$1 million	Less than \$1 million

- The Office of Legislative Services (OLS) concurs with the Executive’s estimate that this bill may increase costs incurred by the New Jersey Transit Corporation (NJ Transit) by \$1.5 million annually beginning in FY 2029 to operate and maintain a bus obstruction monitoring system on 50 NJ Transit-owned or operated buses.
- The OLS also concurs with the Executive’s estimate of startup and integration costs of \$1 million in FY 2027 to equip 25 buses with the required equipment and \$1 million in startup costs to equip the remaining 25 buses in FY 2028.
- The OLS further concurs that the bill will result in an increase in annual revenues of approximately \$1 million in FY 2029, and lower revenue collections in subsequent years, attributable to the collections of fines issues for parking or bus lane encroachment violations. The OLS notes the amount of revenue generated from fine collections may vary annually based on the actual number of violations captured and citations issued.

- In addition, under the bill, NJ Transit is directed to use the revenue generated from fines collections to cover the costs of administering the bus obstruction monitoring system program and any excess revenue is to be used to fund Access Link services.

BILL DESCRIPTION

This bill authorizes NJ Transit to install and operate bus obstruction monitoring systems on buses owned or operated by NJ Transit to capture recorded images of motor vehicles that unlawfully stop or park in dedicated bus lanes, bus stop zones, or designated bicycle lanes adjacent to a roadway that serves a motorbus regular route.

Under the bill, NJ Transit is authorized to issue a citation to the owner or operator of a motor vehicle that commits a covered violation, as captured by a bus obstruction monitoring system, which owner or operator is to be subject to a fine of \$45 for a first offense. Subsequent offenses within a 12-month period from the date of the first offense are to increase by \$45, with a maximum fine of \$135 per offense. The bill authorizes NJ Transit to retain any fines collected to cover the cost of administering the bus obstruction monitoring system program. Any excess revenue from fines collected pursuant to the program is to be used to fund Access Link services. Finally, NJ Transit is prohibited from entering into any agreement for bus obstruction monitoring systems or bus obstruction monitoring system operator services that bases contractor compensation on the amount of revenue generated in monetary fines collected pursuant to the bill.

Under the bill, if an owner or operator has failed to pay three or more fines, the corporation may notify the New Jersey Motor Vehicle Commission in writing. Upon receiving such notice, the commission is required to suspend the driver's license of the owner or operator or suspend the registration of a motor vehicle associated with the commission of the covered violation for which the citation was issued.

The bill requires NJ Transit to conduct a public education and awareness campaign regarding the implementation of the bus obstruction monitoring system program for a period of 180 days beginning on the date of implementation of the bus obstruction monitoring system program. The campaign is to include web-based and social media outreach. During the final 90 days of the campaign, the corporation is required to issue warning notices, rather than citations or fines, for covered violations.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The New Jersey Transit Corporation has provided the OLS with a fiscal note that estimates that this bill will result in a \$1.5 million increase in annual expenditures starting in FY 2029 to operate a bus and obstruction monitoring system on 50 buses owned or operated by NJ Transit. According to NJ Transit, there will be an annual fixed administration and information and technology maintenance cost of \$166,650, which is included in the annual \$1.5 million cost increase. The corporation also anticipates incurring startup and integration costs of \$1 million in FY 2027 to equip 25 buses with the required equipment and \$1 million in startup costs to equip the remaining 25 buses in FY 2028. The corporation further estimates that maintaining the cameras, camera data, and citation issuances, as outlined in the bill, will cost \$20,000 per year for each of the 50 buses.

Additionally, NJ Transit anticipates that the bill will result in an increase in annual State revenue attributable to the collection of fines for parking or bus lane encroachment violations. The corporation's analysis assumes that the program will result in the issuance of 500 citations per year per bus, which is estimated to generate approximately \$1 million in revenue in FY 2029 once all 50 cameras are installed. After that time, it is assumed that the program will increase compliance and citations will decrease seven percent in year one and continue decreasing until a 15 percent compliance decrease in citations is achieved in year seven.

OFFICE OF LEGISLATIVE SERVICES

The OLS concurs with the Executive's estimate that this bill may increase NJ Transit costs by \$1.5 million annually beginning in FY 2029 to operate and maintain a bus and obstruction monitoring system on 50 buses owned or operated by NJ Transit. Based on the current contracts awarded for automated bus lane enforcement systems, the cost for maintaining the cameras, camera data, and citation issuances is estimated to be \$20,000 per year per bus. The \$1.5 million annual increase also includes other expenses, including fixed administration and information and technology maintenance costs. The OLS also concurs with the Executive's estimate of startup and integration costs of \$1 million in FY 2027 to equip 25 buses with the required equipment and \$1 million in startup costs to equip the remaining 25 buses in FY 2028.

The OLS further concurs that the bill will result in an increase in annual revenues of approximately \$1 million in FY 2029, and lower revenue collections in subsequent years, attributable to the collections of fines issues for parking or bus lane encroachment violations. The corporation's analysis assumes that the obstruction monitoring system will result in the issuance of 500 citations per year per bus in FY 2029 and fewer citations will be issued in subsequent years due to increased compliance. The OLS notes the amount of revenue generated from fine collections may vary annually based on the actual number of violations captured and citations issued. In addition, the bill provides that NJ Transit is to retain the revenue generated from the fines collected to cover the costs of administering the bus obstruction monitoring system program and any remaining revenue is to be used to fund Access Link services.

In 2024, the Philadelphia Parking Authority reviewed two requests for proposals for the Automated Bus Camera Program established by the City of Philadelphia to equip 150 buses and 30 trolleys with the automated camera system. The two bids under review were from: (1) Hayden AI at a monthly fixed cost of \$2,095 per bus for a two-year term; and (2) Safe Fleet at a monthly fixed cost of \$1,895 per bus.

In 2024, New York City's Metropolitan Transportation Authority (MTA) reviewed two requests for proposals for the Automated Bus Lane Enforcement Program to equip 2,023 buses with the automated camera system. The MTA award to Hayden AI was for the purchase, installation, operation, and maintenance of up to 1,023 Automated Bus Lane Enforcement (ABLE) systems, in the total estimated amount of \$83,133,058 per year and the award to Seon USA was for the purchase, installation, operation, and maintenance of up to 1,000 ABLE systems in the total estimated amount of \$58,405,780 per year.

Notably, while similar automated enforcement programs have recently been adopted in other states, the OLS cannot determine specific details of the contracts and systems used by the City of Philadelphia and New York City and how those systems differ from the bus obstruction monitoring system to be installed into NJ Transit buses pursuant to the bill.

Section: Authorities, Utilities, Transportation and Communications

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