

ASSEMBLY, No. 3465

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

Provides that toll revenue generated from PANYNJ bridges shall not exceed cost of maintenance, operation, and debt service of those bridges.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning Port Authority of New York and New Jersey
2 toll revenue and supplementing P.L.1950, c.192 (C.32:1-154.1 et
3 seq.) and amending R.S.32:1-128.

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

7
8 1. (New section) a. The port authority shall establish a
9 separate special fund to be known as the “Port Authority Bridge
10 Fund.”

11 b. The bridge fund shall consist of all revenue, tolls, and other
12 charges received by the port authority for the use of vehicular
13 crossings that are bridges, and all other moneys appropriated,
14 credited, or transferred thereto from any other fund or source
15 pursuant to law.

16 c. Moneys in the bridge fund shall be kept separate and shall
17 not be commingled with any other moneys in the custody of the port
18 authority.

19 d. The moneys in the bridge fund shall be expended only for
20 the costs of maintaining and operating the port authority bridges,
21 and the payment of, with interest upon, and amortization of bonds
22 and other securities or obligations issued for the purposes of those
23 bridges.

24 e. Notwithstanding the provisions of any law to the contrary,
25 the comptroller of the State of New York and the comptroller of the
26 State of New Jersey and their legally authorized representatives are
27 hereby authorized and empowered from time to time to examine the
28 bridge fund.

29
30 2. (New section) a. The tolls and other charges prescribed for
31 the use of vehicular crossings that are bridges during each calendar
32 year shall not exceed the costs of maintaining and operating such
33 bridges, and the payment of, with interest upon, and amortization of
34 bonds and other securities or obligations issued for the purposes of
35 such bridges, and incurred by the port authority during such
36 calendar year. All such tolls and other charges for the use of port
37 authority bridges shall be deposited and credited to the “Port
38 Authority Bridge Fund” established under subsection a. of section 1
39 of P.L. , c. (C.) (pending before the Legislature as this
40 bill).

41 b. In any instance in which the amount of funds in the port
42 authority bridge fund exceeds 105 percent of the annual costs of
43 maintaining and operating port authority bridges, and the payment
44 of, with interest upon, and amortization of bonds and other
45 securities or obligations issued for the purposes of such bridges, the

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

Matter underlined thus is new matter.

1 tolls and other charges imposed for the use of port authority bridges
2 shall be reduced during subsequent calendar years so as to reduce
3 the funds in the bridge fund below 105 percent of the annual port
4 authority bridge costs.

5
6 3. R.S.32:1-128 is amended to read as follows:

7 32:1-128. The port authority is hereby authorized to make and
8 enforce such rules and regulations and , subject to the provisions of
9 sections 1 and 2 of P.L. , c. (C.) (pending before the
10 Legislature as this bill), to establish, levy and collect such tolls and
11 other charges in connection with any vehicular bridges and tunnels
12 which it may now or hereafter be authorized to own, construct,
13 operate or control (including the said Holland Tunnel and the said
14 Midtown Hudson Tunnel), as it may deem necessary, proper or
15 desirable, which said tolls and charges shall be **[at least]** sufficient
16 to meet the expenses of the construction, operation and maintenance
17 thereof, and to provide for the payment of, with interest upon, and
18 the amortization and retirement of bonds or other securities or
19 obligations issued or incurred for bridge or tunnel purposes. There
20 shall be allocated to the cost of the construction, operation and
21 maintenance of such bridges and tunnels, such proportion of the
22 general expenses of the port authority as it shall deem properly
23 chargeable thereto.

24 The moneys in the General Reserve Fund of the port authority
25 (authorized by chapter 5 of the laws of New Jersey, 1931, as
26 amended, and chapter 48 of the laws of New York, 1931, as
27 amended) may be pledged in whole or in part by the port authority
28 as security for or applied by it to the repayment with interest of any
29 moneys which it may raise upon bonds or other securities or
30 obligations issued or incurred from time to time for any of the
31 purposes of this act or secured in whole or in part by the pledge of
32 the revenues of the port authority from any bridge or tunnel or both
33 so issued or incurred and so secured; and the moneys in said
34 General Reserve Fund may be applied by the port authority to the
35 fulfillment of any other undertakings which it may assume to or for
36 the benefit of the holders of any such bonds, securities or other
37 obligations.

38 Subject to prior liens and pledges (and to the obligation of the
39 port authority to apply revenues to the maintenance of its General
40 Reserve Fund in the amount prescribed by the said statutes
41 authorizing said fund), the revenues of the port authority from
42 facilities established, constructed, acquired or effectuated through
43 the issuance or sale of bonds of the port authority secured by a
44 pledge of its General Reserve Fund may be pledged in whole or in
45 part as security for or applied by it to the repayment with interest of
46 any moneys which it may raise upon bonds or other securities or
47 obligations issued or incurred from time to time for any of the
48 purposes of this act or secured in whole or in part by the pledge of

1 the revenues of the port authority from any bridge or tunnel or both
2 so issued or incurred and so secured; and said revenues may be
3 applied by the port authority to the fulfillment of any other
4 undertakings which it may assume to or for the benefit of the
5 holders of such bonds, securities or other obligations.

6 In the event that at any time the balance of moneys theretofore
7 paid into the General Reserve Fund and not applied therefrom shall
8 exceed an amount equal to 1/10 of the par value of all bonds legal
9 for investment, as defined and limited in the said statutes
10 authorizing said fund, issued by the port authority and currently
11 outstanding at such time, by reason of the retirement of bonds or
12 other securities or obligations issued or incurred from time to time
13 for any of the purposes of this act or secured in whole or in part by
14 the pledge of the revenues of the port authority from any bridge or
15 tunnel or both so issued or incurred and so secured, the par value of
16 which had theretofore been included in the computation of said
17 1/10, then the port authority may pledge or apply such excess for
18 and only for the purposes for which it is authorized by the said
19 statutes authorizing said fund to pledge the moneys in the General
20 Reserve Fund, and such pledge may be made in advance of the time
21 when such excess may occur.

22 No tolls or other charges authorized by this section shall
23 hereafter be instituted or increased until after a public hearing
24 thereon shall have been held, at which persons affected thereby
25 shall be given adequate opportunity to be heard, and notice whereof
26 shall be published by the port authority in a newspaper or
27 newspapers of general circulation within the port district not less
28 than 10 days prior to the convening of such hearing. Such notice
29 shall state with particularity the charge or charges proposed to be
30 instituted or increased and shall set forth in tabular form a
31 comparison of the existing charges with the charges which would
32 result from such institution or increase; and such tabulation shall
33 also include a similar comparison of any decreases or abolitions of
34 charges which are concomitantly proposed as part of a single
35 proposal for restructuring of rates. Such notice shall also set forth
36 an estimate of the overall increase or decrease in annual revenues to
37 the port authority resulting from the proposed institution, increase,
38 decrease or abolition of charges, or combination thereof forming
39 items of a single proposal; the purpose or purposes to which any
40 such overall increase is to be applied, and, if there be more than one
41 such purpose, the specific allocation of such funds between or
42 among them.

43 (cf: P.L.1977, c.108, s.1)

44

45 4. This act shall take effect immediately, but shall remain
46 inoperative until the enactment into law of legislation substantially
47 similar to P.L. , c. (C.) (pending before the Legislature as
48 this bill) by the State of New York, but if such legislation shall have

1 been enacted prior to the enactment of this act, this act shall take
2 effect immediately.

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STATEMENT

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7 This bill establishes the Port Authority Bridge Fund (“bridge
8 fund”), which shall be a separate, special fund consisting of all
9 revenue, tolls, and other charges collected by the Port Authority of
10 New York and New Jersey (“port authority”) for the use of its
11 bridges.

12 The tolls and other charges established by the port authority for
13 the use of its bridges shall not exceed the costs of maintaining and
14 operating those bridges, and the payment of debt service
15 attributable to those bridges. In the event that the amount of money
16 in the bridge fund exceeds 105 percent of the annual maintenance,
17 operation, and debt service expense of the bridge, the bridge toll
18 shall be reduced during subsequent calendar years.