

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 5606

# STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5606.

This bill reappropriates unexpended funds from the “Statewide Transportation and Local Bridge Bond Act of 1999” (act) to the Department of Transportation (department) that were originally appropriated for the purpose of: (1) financing the costs of transportation projects; and (2) providing grants to county and municipal governments for the costs to rehabilitate and improve certain structurally deficient bridges.

The bill provides that the funds appropriated to the department, which were originally appropriated to provide grants to county and municipal governments for the costs to rehabilitate and improve certain structurally deficient bridges, are to be administered by the department to offset any eligible cost to rehabilitate and improve certain structurally deficient bridges, but only within the county to which the funds were previously appropriated.

Additionally, the bill provides that the funds appropriated to rehabilitate and improve certain structurally deficient bridges that are not expended or obligated within two years of the bill’s effective date are to be consolidated into a single account and redistributed to each county based on a formula established by the department. Under the bill, funds that have not been obligated, but are required to complete a project under development are subject to consolidation and redistribution.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that this bill will result in increased expenditures for the State associated with the appropriation of monies to the Department of Transportation for certain bridge rehabilitation projects. Additionally, the OLS anticipates a potential increase in local revenues associated with grants awarded to counties and municipalities to offset the cost of rehabilitating and improving structurally deficient bridges.

This bill would reappropriate \$3.98 million in unexpended funds to the department. However, the OLS is unable to determine the portion of this amount that will be made available to counties and municipalities in the form of grants.

The Statewide Transportation and Local Bridge Bond Act of 1999 authorized the issuance of bonds in the total amount of \$500 million for the purpose of rehabilitating and improving the State transportation system, including bridges. The act, and subsequent legislation, made available \$250 million to the department to finance transportation projects. Of this amount, approximately \$3 million remains unexpended. Additionally, the act, and subsequent legislation, made available \$250 million to the department to distribute to counties and municipalities as grants to support the cost of rehabilitating and improving structurally deficient bridges. Of this amount, approximately \$980,903 remains unexpended.