

SENATE, No. 3450

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 17, 2024

Sponsored by:

Senator RAJ MUKHERJI

District 32 (Hudson)

SYNOPSIS

Establishes requirements for on-demand micro transit programs operating within State.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing requirements for on-demand micro transit
2 programs operating within the State and supplementing Title 27
3 of the Revised Statutes.

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

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8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 “On-demand micro transit” means publicly available,
11 technology-enabled, shared transportation provided by means of a
12 motor vehicle to individuals selecting a pick-up and drop-off
13 location by telephone or through a mobile application, and which
14 transportation is provided at a time selected by the individual or as
15 soon as possible after the individual selects pick-up and drop-off
16 locations for such transportation.

17 “On-demand micro transit program,” “micro transit program,” or
18 “program” means any on-demand micro transit program operated in
19 the State by the New Jersey Transit Corporation, a county transit
20 agency, or any other entity.

21 “Software services” means technology to enable the New Jersey
22 Transit Corporation, a county transit agency, or any other entity to
23 provide an on-demand micro transit program with transportation
24 services provided by employees under the conditions and in
25 compliance with the requirements described in P.L. ,
26 c. (C.) (pending before the Legislature as this act). “Software
27 services” shall not include a digital network as that term is defined
28 in section 2 of P.L.2017, c.26 (C.39:5H-2).

29 “Transit desert” means a municipality, or physically contiguous
30 area in the State, in which, as of the effective date of P.L. ,
31 c. (C.) (pending before the Legislature as this act), residents
32 have limited access to public transportation services, including
33 motorbus regular route service, rail passenger service, and light-rail
34 passenger service.

35
36 2. The Commissioner of Transportation shall establish and issue
37 requirements for the operation of any on-demand micro transit
38 program within the State. These requirements shall provide that:

39 a. employees of the New Jersey Transit Corporation, a county
40 transit agency, or any other entity are responsible for directly
41 operating transportation services provided by an on-demand micro
42 transit program, except that:

43 (1) the entity may outsource software services to one or more
44 third parties as necessary for the operation of the program; and

45 (2) an entity that does not employ public transportation drivers
46 may provide on-demand micro transit services through a third-party
47 contractor provided that:

- 1 (i) existing employees of any third-party contractor providing
- 2 transit services are offered employment in the on-demand micro
- 3 transit program at no less than their existing wages, hours, working
- 4 conditions, and benefits; and
- 5 (ii) third-party contractors that provide on-demand micro transit
- 6 services shall directly employ all on-demand micro transit drivers;
- 7 b. on-demand micro transit drivers hold a valid commercial
- 8 driver license;
- 9 c. on-demand micro transit drivers are compensated at no less
- 10 than the same wages, hours, working conditions, and benefits as
- 11 other drivers directly employed by the entity providing on-demand
- 12 micro transit service;
- 13 d. existing employees of the entity are not adversely affected by
- 14 the establishment and operation of the on-demand micro transit
- 15 program;
- 16 e. each on-demand micro transit program creates additional
- 17 transit service to transit deserts, rather than replacing existing
- 18 transit services; and
- 19 f. the corporation, in consultation with the Commissioner of
- 20 Transportation, may establish any other rules, guidelines, or
- 21 protocols that the corporation, in consultation with the
- 22 commissioner, deem necessary.

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24 3. a. There shall be established in, but not of, the New Jersey

25 Transit Corporation, a Micro Transit Oversight Committee, which

26 shall review each micro transit plan established by the New Jersey

27 Transit Corporation, a county transit agency, or any other entity and

28 certify that the plan meets all of the requirements of section 2 of

29 P.L. , c. (C.) (pending before the Legislature as this act).

30 b. The committee shall be comprised of three members as

31 follows:

32 (1) a representative from the New Jersey Transit Corporation

33 appointed by the Governor upon recommendation of the executive

34 director of the corporation;

35 (2) a member of the New Jersey General Assembly appointed by

36 the Speaker of the General Assembly; and

37 (3) a member appointed by the President of the Senate upon

38 recommendation of the labor organization representing the plurality

39 of the employees of the corporation involved in motorbus

40 operations; provided that if at any time during the term of

41 appointment, the member ceases to be affiliated with the labor

42 organization representing a plurality of the relevant segment of

43 employees of the corporation, the labor organization may,

44 thereupon or at any time thereafter during such term, recommend a

45 new member to the President of the Senate for appointment to serve

46 the remainder of the term.

47 Each member shall serve for a term of one year and until the

48 appointment and qualification of a successor. A majority of the

49 membership of the committee shall constitute a quorum for the

1 transaction of committee business, and action may be taken at any
2 meeting by the affirmative vote of a majority of the membership of
3 the committee.

4 c. The New Jersey Transit Corporation, a county transit agency,
5 or any other entity shall not provide on-demand micro transit
6 service until the entity receives the certification required by this
7 section.

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9 4. This act shall take effect immediately.

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STATEMENT

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14 This bill requires the Commissioner of Transportation to
15 establish and issue requirements for the operation of any on-demand
16 micro transit programs operating within the State. These
17 requirements are to provide that: (1) employees of an entity
18 providing on-demand micro transit service are responsible for
19 directly operating these services, with certain exceptions described
20 in the bill; (2) on-demand micro transit drivers hold a valid
21 commercial driver license; (3) on-demand micro transit drivers are
22 compensated at no less than the same wages, hours, working
23 conditions, and benefits as other drivers directly employed by the
24 entity providing on-demand micro transit service; (4) existing
25 employees of an entity that provides on-demand micro transit
26 service are not adversely affected by the establishment and
27 operation of the on-demand micro transit program; (5) each on-
28 demand micro transit program creates additional transit service to
29 transit deserts; and (6) the New Jersey Transit Corporation
30 (corporation), in consultation with the Commissioner of
31 Transportation, may establish any other rules, guidelines, or
32 protocols.

33 The bill also establishes the Micro Transit Oversight Committee
34 (committee), which is required to review each on-demand micro
35 transit plan established by the New Jersey Transit Corporation, a
36 county transit agency, or any other entity and to certify that the plan
37 meets all of the requirements established under the bill. The
38 committee is to be comprised of three members: a representative
39 from the New Jersey Transit Corporation appointed by the
40 Governor upon recommendation of the executive director of the
41 corporation, a member of the New Jersey General Assembly
42 appointed by the Speaker of the General Assembly, and a member
43 appointed by the President of the Senate upon recommendation of
44 the labor organization representing the plurality of employees of the
45 corporation involved in motorbus operations. Each member is to
46 serve a term of one year.

47 A majority of the membership of the committee constitutes a
48 quorum for the transaction of committee business, and action may
49 be taken at any meeting by the affirmative vote of a majority of the

1 membership of the committee. An entity is prohibited from
2 providing on-demand micro transit service until the entity receives
3 the certification required by the bill.

4 Under the bill, “on-demand micro transit” is defined as publicly
5 available, technology-enabled, shared transportation provided by
6 means of a motor vehicle to individuals selecting a pick-up and
7 drop-off location by telephone or through a mobile application, and
8 which transportation is provided at a time selected by the individual
9 or as soon as possible after the individual selects pick-up and drop-
10 off locations for such transportation.