

**CHAPTER 20B**  
**MUNICIPAL LOCAL AID**

**Authority**

N.J.S.A. 27:1A-5, 27:1A-6, 27:13-1 et seq., 27:13A-1 et seq., 27:14-1 et seq., 27:15-1 et seq., 27:15A-1 et seq. and the New Jersey Trust Fund Authority Act, N.J.S.A. 27:1B-1 et seq.

**Source and Effective Date**

R.2006 d.396, effective October 19, 2006.  
See: 38 N.J.R. 2395(a), 38 N.J.R. 4877(a).

**Chapter Expiration Date**

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 20B, Municipal Local Aid, expires on October 19, 2013. See: 43 N.J.R. 1203(a).

**Chapter Historical Note**

Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Aid, was adopted as emergency new rules by R.1984 d.423, effective September 6, 1984, expired November 5, 1984. See: 16 N.J.R. 2456(a). The provisions of R.1984 d.423 were adopted as new rules by R.1984 d.552, effective December 17, 1984. See: 16 N.J.R. 3470(a).

Subchapter 5, Audit, was adopted as R.1987 d.266, effective July 6, 1987. See: 19 N.J.R. 623(a), 19 N.J.R. 1229(b).

Pursuant to Executive Order No. 66(1978), Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Aid, expired on December 17, 1989.

Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Fund, was adopted as new rules by R.1990 d.130, effective February 20, 1990. See: 21 N.J.R. 3716(b), 22 N.J.R. 669(b).

Pursuant to Executive Order No. 66(1978), Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Fund, was readopted as R.1995 d.72, effective January 12, 1995. See: 26 N.J.R. 4486(a), 27 N.J.R. 504(c).

Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Fund, was repealed, and a new Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Aid, was adopted as R.1996 d.305, effective July 1, 1996. See: 28 N.J.R. 1354(a), 28 N.J.R. 3315(a).

Pursuant to Executive Order No. 66(1978), Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Aid, was readopted as R.2001 d.162, effective April 26, 2001. See: 33 N.J.R. 770(a), 33 N.J.R. 1599(a).

Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Aid, was readopted as R.2006 d.396, effective October 19, 2006. As a part of R.2006 d.396, Chapter 20B was renamed Municipal Local Aid, effective November 20, 2006. See: Source and Effective Date. See, also, section annotations.

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**SUBCHAPTER 1. GENERAL PROVISIONS**

**16:20B-1.1 Definitions**

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

“Commissioner” means the Commissioner of the New Jersey Department of Transportation.

“Department” means the New Jersey Department of Transportation.

“Publicly-owned utility” means a utility wholly owned, operated, managed and controlled by the State, or by any political subdivision thereof, including a county or municipality. The term does not include municipal or county utility authorities.

New Rule, R.2006 d.396, effective November 20, 2006.  
See: 38 N.J.R. 2395(a), 38 N.J.R. 4877(a).

Former N.J.A.C. 16:20B-1.1, Appropriation of funds, recodified to N.J.A.C. 16:20B-1.2.

**16:20B-1.2 Purpose**

(a) These rules govern disbursements from the Department’s Municipal Local Aid Program to municipalities as the State’s share of the cost for transportation improvements under municipal jurisdiction.

(b) Municipal local aid funds are administered by the Department’s Division of Local Aid and Economic Development. Contact information for the Division are as follows:

1. Main Office  
1035 Parkway Avenue  
Trenton, New Jersey 08625  
Phone: (609) 530-3640  
Fax: (609) 530-8044  
Counties covered: All counties
2. District One Office  
Roxbury Corporate Center  
200 Stierli Court  
Mount Arlington, New Jersey 07856

Phone: (973) 770-5070/(973) 770-5068

Fax: (973) 770-5172

Counties covered: Hunterdon, Morris, Passaic, Somerset, Sussex, Warren

3. District Two Office

153 Halsey Street, 5th Floor

Newark, New Jersey 07102

Phone: (973) 877-1500

Fax: (973) 877-1556

Counties covered: Bergen, Essex, Hudson, Union

4. District Three Office

Route 79 and Daniels Way

Freehold, New Jersey 07728

Phone: (732) 308-4002

Fax: (732) 308-4003

Counties covered: Mercer, Middlesex, Monmouth, Ocean

5. District Four Office

One Executive Campus

Route 70 West, 3rd Floor

Cherry Hill, New Jersey 08002

Phone: (856) 486-6618

Fax: (856) 486-6771

Counties covered: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Salem

isting and proposed right-of-way width, paved and graded widths, shoulder widths, type and depth of proposed pavement and an estimate of the cost of the proposed work. The Local Aid and Economic Development District Offices shall review the form for completeness, make a field investigation and evaluate all projects for which applications have been received.

3. A screening committee composed of municipal engineers representing a cross section of New Jersey, and Department staff shall review all projects for which application packages have been received. The screening committee will make recommendations as to which projects should receive funding to the Commissioner for consideration and approval. In developing the recommendations, consideration shall be given, as applicable, to existing road conditions, volume of traffic, safety, service to the public, future need, readiness to construct, local taxing capacity, consistency with applicable planning documents (including, but not limited to, the State Development and Redevelopment Plan, the State long-range transportation plan, the long-range plan of the appropriate metropolitan planning organization, and the county and municipal master plans), and performance and timeliness in designing, awarding and constructing previous projects funded by municipal local aid.

Recodified from N.J.A.C. 16:20B-1.1 and amended by R.2006 d.396, effective November 20, 2006.

See: 38 N.J.R. 2395(a), 38 N.J.R. 4877(a).

Section was "Appropriation of funds". Rewrote the section. Former N.J.A.C. 16:20B-1.2, Funding allocation and agreement procedure, recodified to N.J.A.C. 16:20B-1.3.

### 16:20B-1.3 Funding allocation and agreement procedure

(a) Municipalities seeking municipal local aid shall submit three sets of a fully executed New Jersey Department of Transportation Resolution, Application, and Agreement for State Aid to Counties and Municipalities form for each project to the Local Aid and Economic Development District Office serving its area. Forms are available at the District Offices or on the Department's website at <http://www.state.nj.us.transportation/business/localaid>.

(b) Procedures for municipal local aid formula allocations are as follows:

1. Subject to appropriation of funds, State aid for municipal transportation projects in each county will be allocated according to the formula set forth in legislation. For the purposes of this formula, population figures shall be obtained from the New Jersey Department of Labor and Workforce Development and municipal road mileage shall be determined by the Department.

2. The municipal local aid application form requires an engineering description of the proposed transportation improvement. For example, in the case of a proposed road or bridge improvement, the application must indicate the ex-

(c) Separate from the municipal local aid formula allocation, the Commissioner shall allocate \$5,000,000 to municipalities qualifying for urban aid under P.L. 1978, c. 14 (N.J.S.A. 52:27D-178 et seq.), as amended, in the same proportion that they receive aid under P.L. 1978, c. 14, as amended. The proportion is determined by the Department of Community Affairs.

(d) Municipal local aid agreements using both formula allocations and urban aid allocations shall specify that a contract must be awarded by the municipality within 18 months from the date of execution of the agreement. At any time, but at a minimum of 30 days prior to the 18-month deadline, a municipality may voluntarily cancel a municipal local aid agreement and release the funds back to the Department.

1. In the event an award is not made within the 18-month timeframe specified in this section, the Division of Local Aid and Economic Development, at its discretion, may grant an extension of not greater than six months in duration. Award deadline extensions must be requested in writing by the municipality a minimum of 30 days prior to the 18-month deadline, and shall include a resolution and justification for the extension of time that demonstrates ability to award the contract within the six-month period. In the event that an award deadline extension is not granted, or a request for an extension is not received more than 30 days prior to the 18-month deadline, the municipal local aid agreement shall become null and void and the Department shall rescind the funds allocated for the project. The initial extension of time may be approved by the