

CHAPTER 53D
ZONE OF RATE FREEDOM

Authority

N.J.S.A. 27:1A-5, 27:1A-6, and 48:4-2.20 through 48:4-2.25.

Source and Effective Date

R.2004 d.402, effective September 30, 2004.
See: 36 N.J.R. 1678(a), 36 N.J.R. 4952(a).

Chapter Expiration Date

Pursuant to Executive Order No. 1(2010), the chapter expiration date is extended from March 29, 2010 until the completion of the review of administrative regulations and rules by the Red Tape Review Group, and until such time as the extended regulation or rule is readopted pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.

Chapter Historical Note

Chapter 53D, Zone of Rate Freedom, was adopted as R.1984 d.295, effective July 16, 1984. See: 16 N.J.R. 1039(a), 16 N.J.R. 2009(a), 16 N.J.R. 3064(a).

Pursuant to Executive Order No. 66(1978), Chapter 53D, Zone of Rate Freedom, was readopted as R.1989 d.293, effective May 3, 1989. See: 21 N.J.R. 703(a), 21 N.J.R. 1524(c).

Pursuant to Executive Order No. 66(1978), Chapter 53D, Zone of Rate Freedom, was readopted as R.1994 d.214, effective April 8, 1994. See: 26 N.J.R. 1205(a), 26 N.J.R. 1841(b).

Pursuant to Executive Order No. 66(1978), Chapter 53D, Zone of Rate Freedom, was readopted as R.1999 d.144, effective April 7, 1999. See: 31 N.J.R. 520(a), 31 N.J.R. 1205(a).

Chapter 53D, Zone of Rate Freedom, was readopted as R.2004 d.402, effective September 30, 2004. See: Source and Effective Date. See, also, section annotations.

In accordance with N.J.S.A. 52:14B-5.1c, Chapter 53D, Zone of Rate Freedom, was scheduled to expire on March 29, 2010. See: 41 N.J.R. 3895(a).

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SUBCHAPTER 1. GENERAL PROVISIONS

16:53D-1.1 General provisions

(a) Any regular route autobus carrier operating within the State, which carrier seeks to revise its rates, fares or charges in effect as of the time of the promulgation of this rule, shall not be required to conform with N.J.A.C. 16:51-3.12, Tariff filings that do not propose increases in charges to customers, or N.J.A.C. 16:51-3.13, Tariff petitions that propose increases in charges to customers, provided the increase or decrease in the rate, fare or charge, or the aggregate of increases and decreases in any single rate, fare or charge is not more than

the maximum percentage increase (10 percent for 2009) or decrease (10 percent for 2009), upgraded to the nearest \$.05.

1. For illustrative purposes, the following chart sets forth the 2009 percentage maximum for increases to particular rates, fares or charges and the resultant amount as upgraded to the nearest \$.05:

| <u>Present Fare</u> | <u>Percent of Increase</u> | <u>Increase Upgraded To Nearest \$.05</u> |
|---------------------|----------------------------|---|
| \$2.00 or less | 10.0% | \$.20 |
| \$2.05-\$2.50 | 10.0% | \$.25 |
| \$2.55 upward | 10.0% | \$.30+ |

2. For illustrative purposes, the following chart sets forth the 2009 percentage maximum for decreases to particular rates, fares or charges and the resultant amount as upgraded to the nearest \$.05:

| <u>Present Fare</u> | <u>Percent of Decrease</u> | <u>Decrease Upgraded To Nearest \$.05</u> |
|---------------------|----------------------------|---|
| \$.50 or less | 10% | \$.05 |
| \$.55 to \$1.00 | 10% | \$.10 |
| \$1.05 upward | 10% | \$.15+ |

3. Except as may be provided in the Certificate of Public Convenience and Necessity, changes to student, senior, transfer, interline and other unique rates, fares or charges for a regular route shall not be subject to the requirements of this chapter, provided they remain less than the current or adjusted regular route fare applicable to the route.

Amended by R.1985 d.34, effective February 19, 1985.

See: 16 N.J.R. 3298(a), 17 N.J.R. 475(a).

“Decrease” substituted for “Increase” in chart.

Public Notice: Zone of Rate Freedom.

See 17 N.J.R. 2567(b).

Public Hearing: The Zone of Rate Freedom has been postponed.

See: 17 N.J.R. 2692(b).

Public Notice: Zone of Rate Freedom public hearing.

See: 17 N.J.R. 2795(b).

Public Notice: A public hearing on January 24, 1986 will be a continuation of the annual meeting.

See: 18 N.J.R. 114(a).

Amended by R.1987 d.131, effective March 16, 1987.

See: 18 N.J.R. 2376(a), 19 N.J.R. 456(a).

Charts amended.

Amended by R.1989 d.56, effective February 6, 1989.

See: 20 N.J.R. 2374(b), 21 N.J.R. 310(a).

Charts amended.

Amended by R.1990 d.66, effective January 16, 1990.

See: 21 N.J.R. 2914(a), 22 N.J.R. 245(a).

Charts amended to reflect 1990 changes.

Amended by R.1990 d.474, effective September 17, 1990 (operative January 1, 1991).

See: 22 N.J.R. 1993(a), 22 N.J.R. 3029(b).

Percentage maximums for 1991.

Amended by R.1991 d.486, effective October 7, 1991.

See: 23 N.J.R. 2004(b), 23 N.J.R. 3038(a).

Maximum for 1992 rate increases raised to 8.17 percent.

Amended by R.1992 d.355, effective September 8, 1992.

See: 24 N.J.R. 2343(a), 24 N.J.R. 3097(c).

Revised (a)1 and 2.

Amended by R.1993 d.537, effective November 1, 1993 (operative January 1, 1994).

See: 25 N.J.R. 3648(a), 25 N.J.R. 4918(a).

Amended by R.1994 d.526, effective October 17, 1994.

See: 26 N.J.R. 3247(b), 26 N.J.R. 4209(b).

Amended by R.1995 d.547, effective October 16, 1995.
See: 27 N.J.R. 3132(a), 27 N.J.R. 3975(b).
Amended by R.1996 d.490, effective October 21, 1996.
See: 28 N.J.R. 3894(b), 28 N.J.R. 4592(a).
Amended by R.1997 d.433, effective October 20, 1997.
See: 29 N.J.R. 3598(a), 29 N.J.R. 4559(c).

Substituted "1998" for "1997" throughout the section.
Amended by R.1998 d.505, effective October 19, 1998.
See: 30 N.J.R. 2833(a), 30 N.J.R. 3854(a).

In (a), substituted "1999" for "1998" in 1 and 2.
Amended by R.1999 d.353, effective October 18, 1999.
See: 31 N.J.R. 2146(a), 31 N.J.R. 3103(a).

In (a), substituted "2000" for "1999" throughout.
Amended by R.2000 d.418, effective October 16, 2000.
See: 32 N.J.R. 2653(a), 32 N.J.R. 3862(b).

In (a), substituted references to 2001 for references to 2000 throughout.

Amended by R.2001 d.377, effective October 15, 2001.
See: 33 N.J.R. 2459(a), 33 N.J.R. 3669(a).

In (a), substituted "2002" for "2001" throughout.
Administrative correction.

See: 34 N.J.R. 2045(a).
Amended by R.2002 d.338, effective October 21, 2002.
See: 34 N.J.R. 2370(a), 34 N.J.R. 3637(a).

In (a), deleted "or petitioner" following "N.J.A.C. 16:51-3.10, Tariff filings" and substituted "2003" for "2002" throughout 1 and 2.

Amended by R.2003 d.408, effective October 20, 2003.
See: 35 N.J.R. 2584(a), 35 N.J.R. 4906(a).

In (a), substituted "2004" for "2003" throughout.
Administrative correction.

See: 35 N.J.R. 5618(a).
Amended by R.2004 d.402, effective November 1, 2004.
See: 36 N.J.R. 1678(a), 36 N.J.R. 4952(a).

In (a), rewrote 3.
Amended by R.2005 d.29, effective January 18, 2005.
See: 36 N.J.R. 4022(a), 37 N.J.R. 356(a).

In (a), substituted "six" for "four" following "maximum percentage increase" in the introductory paragraph, amended the table in 1 and substituted "2005" for "2004" throughout.

Amended by R.2006 d.100, effective March 6, 2006.
See: 37 N.J.R. 3946(a), 38 N.J.R. 1347(a).

In (a), changed the calendar year of the Zone of Rate Freedom from 2005 to 2006.

Amended by R.2007 d.229, effective August 6, 2007.
See: 39 N.J.R. 356(a), 39 N.J.R. 3408(a).

In the introductory paragraphs of (a), (a)1 and (a)2, substituted "2007" for "2006".

Administrative correction.
See: 39 N.J.R. 5366(a).

Amended by R.2008 d.127, effective May 19, 2008.
See: 39 N.J.R. 5184(a), 40 N.J.R. 2565(a).

In the introductory paragraph of (a), inserted "carrier", updated the N.J.A.C. references, substituted "that" for "which" following the first occurrence of "filings", deleted "filings or" preceding "petitions" and substituted "2008" for "2007" twice; and in (a)1 and (a)2, substituted "2008" for "2007".

Amended by R.2009 d.120, effective April 20, 2009.
See: 40 N.J.R. 5193(a), 41 N.J.R. 1878(a).

Substituted "2009" for "2008" throughout; in the introductory paragraph of (a), inserted a comma following "State" and following "rule", and substituted "10" for "six"; and rewrote the table in (a)1.

16:53D-1.2 Requirements

(a) Any regular route autobus carrier that seeks a fare adjustment that is subject to this subchapter shall be required to comply with the following:

1. Notify the Motor Vehicle Commission by filing a complete schedule of all current fares and all fares to be adjusted at least 30 days prior to the effective date of the new fare adjustment; and

2. Post a public notice in all autobuses providing service on the regular routes to be affected by the adjusted fares and in all bus terminals served by those autobuses on the regular routes at least 30 days prior to the effective date of the new fare adjustment. The autobus carrier shall verify its compliance with this paragraph by filing with the Motor Vehicle Commission a copy of said public notice and an affidavit confirming that it has in fact posted such public notice at least 30 days prior to the effective date of the new fare adjustment.

Amended by R.1989 d.56, effective February 6, 1989.
See: 20 N.J.R. 2374(b), 21 N.J.R. 310(a).

Substantially amended.

Amended by R.1990 d.474, effective September 17, 1990 (operative January 1, 1991).

See: 22 N.J.R. 1993(a), 22 N.J.R. 3029(b).

In (a)2, required verification by "filing a copy of ... public notice" along with affidavit.

Amended by R.2004 d.402, effective November 1, 2004.

See: 36 N.J.R. 1678(a), 36 N.J.R. 4952(a).

In (a), inserted "comply with the following" at the end of the introductory paragraph, substituted "Motor Vehicle Commission" for "Department" following "Notify the" in 1, substituted "its compliance with this paragraph" for "to the Department" following "shall verify", inserted "with the Motor Vehicle Commission" preceding "a copy of said public notice", and inserted "confirming" preceding "that it has in fact posted" in 2.

16:53D-1.3 Exemptions

The Motor Vehicle Commission hereby exempts casino or regular route in the nature of special, charter and special autobus operations from the rate regulation provisions set forth in N.J.A.C. 16:53D-1.1 and 16:53D-1.2 and in Title 48 of the Revised Statutes. Notwithstanding the rate regulation exemption, casino or regular route in the nature of special, charter and special autobus operators shall annually file with the Motor Vehicle Commission by January 2 the then current schedules of their rates, fares or charges for such operations.

Amended by R.1989 d.56, effective February 6, 1989.
See: 20 N.J.R. 2374(b), 21 N.J.R. 310(a).

Substantially amended.

Amended by R.1990 d.631, effective December 17, 1990.
See: 22 N.J.R. 3199(a), 22 N.J.R. 3760(b).

Filing and public notice requirements added.

Amended by R.2004 d.402, effective November 1, 2004.

See: 36 N.J.R. 1678(a), 36 N.J.R. 4952(a).

Substituted "Motor Vehicle Commission" for "Commissioner" following "The", deleted "any other chapter of" preceding "Title 48", inserted "of the Revised Statutes" following "Title 48", and substituted "Motor Vehicle Commission" for "Department" following "shall annually file with the".