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RH/CL

P.L. 2018, CHAPTER 109, *approved August 24, 2018*
Assembly, No. 2401 (*First Reprint*)

1 AN ACT authorizing the issuance of Delta Sigma Theta license
2 plates and supplementing chapter 3 of Title 39 of the Revised
3 Statutes.

4

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

7

8 1. a. Upon proper application, the Chief Administrator of the
9 New Jersey Motor Vehicle Commission shall issue Delta Sigma
10 Theta license plates for any motor vehicle owned or leased and
11 registered in this State. In addition to the registration number and
12 other markings or identification otherwise prescribed by law, the
13 license plates shall display appropriate words or a slogan and
14 emblem honoring ¹the¹ Delta Sigma Theta Sorority, Inc. The chief
15 administrator shall, in consultation with the Eastern Regional
16 Director of Delta Sigma Theta Sorority, Inc., select the design and
17 color scheme of the Delta Sigma Theta license plates. The Delta
18 Sigma Theta license plates shall be subject to the provisions of
19 chapter 3 of Title 39 of the Revised Statutes, except as hereinafter
20 otherwise specifically provided.

21 b. Application for issuance of Delta Sigma Theta license plates
22 shall be made to the chief administrator on forms and in a manner
23 prescribed by the chief administrator. In order to be deemed
24 complete, an application shall be accompanied by a fee of \$50,
25 payable to the New Jersey Motor Vehicle Commission, which shall
26 be in addition to the fees otherwise prescribed by law for the
27 registration of a motor vehicle. The chief administrator shall collect
28 annually, subsequent to the year of issuance of the Delta Sigma
29 Theta license plates, a \$10 fee for the license plates in addition to
30 the fees otherwise prescribed by law for the registration of a motor
31 vehicle. The additional fees required by this subsection shall be
32 deposited in the “Delta Sigma Theta License Plate Fund” created
33 pursuant to subsection c. of this section.

34 c. There is created in the Department of the Treasury a special
35 non-lapsing fund to be known as the “Delta Sigma Theta License
36 Plate Fund.” There shall be deposited in the fund the amount
37 collected from all license plate fees collected pursuant to subsection
38 b. of this section, less the amounts necessary to reimburse 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATR committee amendments adopted June 14, 2018.

1 commission for administrative costs pursuant to subsection d. of
2 this section. Monies deposited in the fund shall be appropriated
3 annually to the Delta Sigma Theta Sorority, Inc. to be used to
4 support the organization's mission and programs, which include
5 educational development programs for youth and economic
6 development, social action, and health initiatives for disadvantaged
7 communities. Monies deposited in the fund shall be held in
8 interest-bearing accounts in public depositories as defined pursuant
9 to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or
10 reinvested in securities approved by the State Treasurer. Interest or
11 other income earned on monies deposited into the fund, and any
12 monies which may be appropriated or otherwise become available
13 for the purposes of the fund, shall be credited to and deposited in
14 the fund for use as set forth in P.L. , c. (C.) (pending
15 before the Legislature as this bill).

16 d. Prior to the deposit of the additional fees collected pursuant
17 to subsection b. of this section into the "Delta Sigma Theta License
18 Plate Fund," amounts thereof as are necessary shall be used to
19 reimburse the commission for all costs reasonably and actually
20 incurred, as stipulated by the chief administrator, for:

21 (1) designing, producing, issuing, renewing, and publicizing the
22 availability of the Delta Sigma Theta license plates; and

23 (2) any computer programming changes that may be initially
24 necessary to implement the Delta Sigma Theta license plate
25 program in an amount not to exceed \$150,000.

26 The chief administrator shall annually certify to the State
27 Treasurer the average cost per license plate incurred in the
28 immediately preceding year by the commission in producing,
29 issuing, renewing, and publicizing the availability of the Delta
30 Sigma Theta license plates. The annual certification of the average
31 cost per license plate shall be approved by the Joint Budget
32 Oversight Committee, or its successor.

33 In the event that the average cost per license plate as certified by
34 the chief administrator and approved by the Joint Budget Oversight
35 Committee, or its successor, is greater than the \$50 application fee
36 established in subsection b. of this section in two consecutive fiscal
37 years, the chief administrator may discontinue the issuance of Delta
38 Sigma Theta license plates.

39 e. The chief administrator shall notify eligible motorists of the
40 opportunity to obtain Delta Sigma Theta license plates by
41 publicizing the availability of the license plates on the
42 commission's website. The Eastern Region of Delta Sigma Theta
43 Sorority, Inc., and any other individual or entity designated by the
44 Eastern Region of Delta Sigma Theta Sorority, Inc., may publicize
45 the availability of the Delta Sigma Theta license plates in any
46 manner that the Eastern Region of Delta Sigma Theta Sorority, Inc.
47 deems appropriate.

1 f. The chief administrator and the Eastern Regional Director of
2 Delta Sigma Theta Sorority, Inc. shall develop and enter into a
3 memorandum of agreement setting forth the procedures to be
4 followed in carrying out their respective responsibilities under
5 P.L. , c. (C.) (pending before the Legislature as this bill).

6 g. The Eastern Regional Director of Delta Sigma Theta
7 Sorority, Inc. shall appoint a representative who shall act as a
8 liaison between ¹the Eastern Region of Delta Sigma Theta
9 Sorority, Inc. and the commission. The liaison shall represent the
10 Eastern Region of Delta Sigma Theta Sorority, Inc. in any and all
11 communications with the commission regarding the Delta Sigma
12 Theta license plates established by P.L. , c. (C.) (pending
13 before the Legislature as this bill).

14

15 2. a. State or public funds shall not be used by the
16 commission for the initial cost of:

17 (1) designing, producing, issuing, and publicizing the
18 availability of Delta Sigma Theta license plates; or

19 (2) any computer programming changes which may be
20 necessary to implement the Delta Sigma Theta license plate
21 program established by P.L. , c. (C.) (pending before the
22 Legislature as this bill).

23 b. The Eastern Region of Delta Sigma Theta Sorority, Inc. or
24 an individual or entity designated by the Eastern Region of Delta
25 Sigma Theta Sorority, Inc., shall contribute non-public monies in an
26 amount to be determined by the chief administrator, not to exceed a
27 total of \$25,000, to be used to offset the initial costs incurred by the
28 commission for designing, producing, issuing, and publicizing the
29 availability of Delta Sigma Theta license plates, and any computer
30 programming which may be necessary to implement the program.
31 Concerned organizations and individual donors may contribute
32 monies to the Eastern Region of Delta Sigma Theta Sorority, Inc. to
33 be used to offset the initial costs incurred by the commission for the
34 Delta Sigma Theta license plates authorized by P.L. , c. (C.)
35 (pending before the Legislature as this bill). Any amount remaining
36 after the payment of the initial cost shall be deposited in the “Delta
37 Sigma Theta License Plate Fund” established pursuant to subsection
38 c. of section 1 of P.L. , c. (C.) (pending before the
39 Legislature as this bill).

40 c. The commission shall not begin designing, producing,
41 issuing, or publicizing the availability of Delta Sigma Theta license
42 plates, or making any necessary programming changes, until the
43 following requirements have been met:

44 (1) The Eastern Region of Delta Sigma Theta Sorority, Inc. or
45 an individual or entity designated by the Eastern Region of Delta
46 Sigma Theta Sorority, Inc., has provided the commission with the
47 money necessary, as determined by the chief administrator pursuant
48 to subsection b. of this section, to offset the initial costs incurred by

1 the commission in establishing the Delta Sigma Theta license plate
2 program; and

3 (2) The liaison appointed by the Eastern Regional Director of
4 Delta Sigma Theta Sorority, Inc. pursuant to subsection g. of
5 section 1 of P.L. , c. (C.) (pending before the Legislature
6 as this bill) has provided the commission with not less than 500
7 completed applications for Delta Sigma Theta license plates. These
8 applications shall constitute the initial order for Delta Sigma Theta
9 license plates and shall be accompanied by a fee representing the
10 total cost of the initial order. The fee shall be determined by
11 multiplying the number of sets of license plates being ordered by
12 the applicable initial fee for each set of license plates as set forth in
13 subsection b. of section 1 of P.L. , c. (C.) (pending before
14 the Legislature as this bill).

15

16 3. This act shall take effect immediately, but shall remain
17 inoperative until the first day of the seventh month following the
18 date on which the conditions set forth in paragraphs (1) and (2) of
19 subsection c. of section 2 of this act have been satisfied. The chief
20 administrator may take anticipatory acts in advance of that date as
21 may be necessary for the timely implementation of this act. This
22 act shall expire if the conditions set forth in paragraphs (1) and (2)
23 of subsection c. of section 2 of this act are not satisfied by the last
24 day of the 12th month following enactment.

25

26

27

28

29

Authorizes issuance of Delta Sigma Theta license plates.

ASSEMBLY, No. 2401

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 1, 2018

Sponsored by:

Assemblyman BENJIE E. WIMBERLY
District 35 (Bergen and Passaic)

SYNOPSIS

Authorizes issuance of Delta Sigma Theta license plates.

CURRENT VERSION OF TEXT

As introduced.



A2401 WIMBERLY

2

1 AN ACT authorizing the issuance of Delta Sigma Theta license
2 plates and supplementing chapter 3 of Title 39 of the Revised
3 Statutes.

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

7
8 1. a. Upon proper application, the Chief Administrator of the
9 New Jersey Motor Vehicle Commission shall issue Delta Sigma
10 Theta license plates for any motor vehicle owned or leased and
11 registered in this State. In addition to the registration number and
12 other markings or identification otherwise prescribed by law, the
13 license plates shall display appropriate words or a slogan and
14 emblem honoring Delta Sigma Theta Sorority, Inc. The chief
15 administrator shall, in consultation with the Eastern Regional
16 Director of Delta Sigma Theta Sorority, Inc., select the design and
17 color scheme of the Delta Sigma Theta license plates. The Delta
18 Sigma Theta license plates shall be subject to the provisions of
19 chapter 3 of Title 39 of the Revised Statutes, except as hereinafter
20 otherwise specifically provided.

21 b. Application for issuance of Delta Sigma Theta license plates
22 shall be made to the chief administrator on forms and in a manner
23 prescribed by the chief administrator. In order to be deemed
24 complete, an application shall be accompanied by a fee of \$50,
25 payable to the New Jersey Motor Vehicle Commission, which shall
26 be in addition to the fees otherwise prescribed by law for the
27 registration of a motor vehicle. The chief administrator shall collect
28 annually, subsequent to the year of issuance of the Delta Sigma
29 Theta license plates, a \$10 fee for the license plates in addition to
30 the fees otherwise prescribed by law for the registration of a motor
31 vehicle. The additional fees required by this subsection shall be
32 deposited in the "Delta Sigma Theta License Plate Fund" created
33 pursuant to subsection c. of this section.

34 c. There is created in the Department of the Treasury a special
35 non-lapsing fund to be known as the "Delta Sigma Theta License
36 Plate Fund." There shall be deposited in the fund the amount
37 collected from all license plate fees collected pursuant to subsection
38 b. of this section, less the amounts necessary to reimburse the
39 commission for administrative costs pursuant to subsection d. of
40 this section. Monies deposited in the fund shall be appropriated
41 annually to the Delta Sigma Theta Sorority, Inc. to be used to
42 support the organization's mission and programs, which include
43 educational development programs for youth and economic
44 development, social action, and health initiatives for disadvantaged
45 communities. Monies deposited in the fund shall be held in
46 interest-bearing accounts in public depositories as defined pursuant
47 to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or
48 reinvested in securities approved by the State Treasurer. Interest or

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1 other income earned on monies deposited into the fund, and any
2 monies which may be appropriated or otherwise become available
3 for the purposes of the fund, shall be credited to and deposited in
4 the fund for use as set forth in P.L. , c. (C.) (pending
5 before the Legislature as this bill).

6 d. Prior to the deposit of the additional fees collected pursuant
7 to subsection b. of this section into the "Delta Sigma Theta License
8 Plate Fund," amounts thereof as are necessary shall be used to
9 reimburse the commission for all costs reasonably and actually
10 incurred, as stipulated by the chief administrator, for:

11 (1) designing, producing, issuing, renewing, and publicizing the
12 availability of the Delta Sigma Theta license plates; and

13 (2) any computer programming changes that may be initially
14 necessary to implement the Delta Sigma Theta license plate
15 program in an amount not to exceed \$150,000.

16 The chief administrator shall annually certify to the State
17 Treasurer the average cost per license plate incurred in the
18 immediately preceding year by the commission in producing,
19 issuing, renewing, and publicizing the availability of the Delta
20 Sigma Theta license plates. The annual certification of the average
21 cost per license plate shall be approved by the Joint Budget
22 Oversight Committee, or its successor.

23 In the event that the average cost per license plate as certified by
24 the chief administrator and approved by the Joint Budget Oversight
25 Committee, or its successor, is greater than the \$50 application fee
26 established in subsection b. of this section in two consecutive fiscal
27 years, the chief administrator may discontinue the issuance of Delta
28 Sigma Theta license plates.

29 e. The chief administrator shall notify eligible motorists of the
30 opportunity to obtain Delta Sigma Theta license plates by
31 publicizing the availability of the license plates on the
32 commission's website. The Eastern Region of Delta Sigma Theta
33 Sorority, Inc., and any other individual or entity designated by the
34 Eastern Region of Delta Sigma Theta Sorority, Inc., may publicize
35 the availability of the Delta Sigma Theta license plates in any
36 manner that the Eastern Region of Delta Sigma Theta Sorority, Inc.
37 deems appropriate.

38 f. The chief administrator and the Eastern Regional Director of
39 Delta Sigma Theta Sorority, Inc. shall develop and enter into a
40 memorandum of agreement setting forth the procedures to be
41 followed in carrying out their respective responsibilities under
42 P.L. , c. (C.) (pending before the Legislature as this bill).

43 g. The Eastern Regional Director of Delta Sigma Theta
44 Sorority, Inc. shall appoint a representative who shall act as a
45 liaison between Eastern Region of Delta Sigma Theta Sorority, Inc.
46 and the commission. The liaison shall represent the Eastern Region
47 of Delta Sigma Theta Sorority, Inc. in any and all communications
48 with the commission regarding the Delta Sigma Theta license plates

1 established by P.L. , c. (C.) (pending before the
2 Legislature as this bill).

3

4 2. a. State or public funds shall not be used by the commission
5 for the initial cost of:

6 (1) designing, producing, issuing, and publicizing the availability
7 of Delta Sigma Theta license plates; or

8 (2) any computer programming changes which may be necessary
9 to implement the Delta Sigma Theta license plate program
10 established by P.L. , c. (C.) (pending before the
11 Legislature as this bill).

12 b. The Eastern Region of Delta Sigma Theta Sorority, Inc. or
13 an individual or entity designated by the Eastern Region of Delta
14 Sigma Theta Sorority, Inc., shall contribute non-public monies in an
15 amount to be determined by the chief administrator, not to exceed a
16 total of \$25,000, to be used to offset the initial costs incurred by the
17 commission for designing, producing, issuing, and publicizing the
18 availability of Delta Sigma Theta license plates, and any computer
19 programming which may be necessary to implement the program.
20 Concerned organizations and individual donors may contribute
21 monies to the Eastern Region of Delta Sigma Theta Sorority, Inc. to
22 be used to offset the initial costs incurred by the commission for the
23 Delta Sigma Theta license plates authorized by P.L. , c. (C.)
24 (pending before the Legislature as this bill). Any amount remaining
25 after the payment of the initial cost shall be deposited in the “Delta
26 Sigma Theta License Plate Fund” established pursuant to subsection
27 c. of section 1 of P.L. , c. (C.) (pending before the
28 Legislature as this bill).

29 c. The commission shall not begin designing, producing,
30 issuing, or publicizing the availability of Delta Sigma Theta license
31 plates, or making any necessary programming changes, until the
32 following requirements have been met:

33 (1) The Eastern Region of Delta Sigma Theta Sorority, Inc. or
34 an individual or entity designated by the Eastern Region of Delta
35 Sigma Theta Sorority, Inc., has provided the commission with the
36 money necessary, as determined by the chief administrator pursuant
37 to subsection b. of this section, to offset the initial costs incurred by
38 the commission in establishing the Delta Sigma Theta license plate
39 program; and

40 (2) The liaison appointed by the Eastern Regional Director of
41 Delta Sigma Theta Sorority, Inc. pursuant to subsection g. of
42 section 1 of P.L. , c. (C.) (pending before the Legislature
43 as this bill) has provided the commission with not less than 500
44 completed applications for Delta Sigma Theta license plates. These
45 applications shall constitute the initial order for Delta Sigma Theta
46 license plates and shall be accompanied by a fee representing the
47 total cost of the initial order. The fee shall be determined by
48 multiplying the number of sets of license plates being ordered by

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1 the applicable initial fee for each set of license plates as set forth in
2 subsection b. of section 1 of P.L. , c. (C.) (pending before
3 the Legislature as this bill).

4
5 3. This act shall take effect immediately, but shall remain
6 inoperative until the first day of the seventh month following the
7 date on which the conditions set forth in paragraphs (1) and (2) of
8 subsection c. of section 2 of this act have been satisfied. The chief
9 administrator may take anticipatory acts in advance of that date as
10 may be necessary for the timely implementation of this act. This
11 act shall expire if the conditions set forth in paragraphs (1) and (2)
12 of subsection c. of section 2 of this act are not satisfied by the last
13 day of the 12th month following enactment.

14
15 STATEMENT

16
17 This bill authorizes the Chief Administrator (chief administrator)
18 of the New Jersey Motor Vehicle Commission (commission) to
19 issue special Delta Sigma Theta license plates.

20 Delta Sigma Theta Sorority, Inc. was founded on January 13,
21 1913 by 22 collegiate women at Howard University to promote
22 academic excellence and provide assistance to those in need.
23 Currently, Delta Sigma Theta Sorority, Inc. is an organization of
24 college educated women committed to the constructive
25 development of its members and to public service, whose purpose is
26 to provide assistance and support through established programs in
27 local communities throughout the world.

28 The bill provides that the design of the Delta Sigma Theta
29 license plate is to display appropriate words or a slogan and an
30 emblem honoring Delta Sigma Theta Sorority, Inc.. The chief
31 administrator is to, in consultation with the Eastern Regional
32 Director of Delta Sigma Theta Sorority, select the design and color
33 scheme of the Delta Sigma Theta license plates.

34 In addition to all fees otherwise required by law for the
35 registration of a motor vehicle, there is an application fee of \$50
36 and an annual renewal fee of \$10 for the Delta Sigma Theta license
37 plates. After the deduction of the cost of designing, producing,
38 issuing, renewing, and publicizing the plates and of any computer
39 programming changes that are necessary to implement the license
40 plate program, in an amount not to exceed \$150,000, the additional
41 fees will be deposited into a special non-lapsing fund known as the
42 "Delta Sigma Theta License Plate Fund." The proceeds of the fund
43 are to be annually appropriated to the Delta Sigma Theta Sorority,
44 Inc., to be used to support the organization's mission and programs,
45 which include educational development programs for youth and
46 economic development, social action, and health initiatives for
47 disadvantaged communities.

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1 The chief administrator is required to annually certify the
2 average cost of producing, issuing, renewing, and publicizing the
3 availability of the specialty license plates. If the average cost per
4 plate exceeds \$50 in two consecutive fiscal years, the chief
5 administrator may discontinue the Delta Sigma Theta license plate
6 program. The bill also requires that the Eastern Regional Director
7 of Delta Sigma Theta Sorority, Inc. appoint a liaison to represent
8 the Eastern Region of Delta Sigma Theta Sorority, Inc. (Eastern
9 Region) in all communications with the commission regarding the
10 Delta Sigma Theta license plates.

11 The bill provides that State or other public funds are not to be
12 used by the commission for the initial cost to implement the Delta
13 Sigma Theta license plate program. The bill requires the Eastern
14 Region or an individual or entity designated by the Eastern Region
15 to contribute non-public monies, not to exceed \$25,000, to offset
16 the initial costs to design, produce, issue, and publicize the license
17 plates and for computer programming changes which may be
18 necessary to implement the program. The bill authorizes the
19 Eastern Region to receive funds from private sources to be used to
20 offset the initial costs.

21 The chief administrator is not required to design, produce, issue,
22 or publicize the availability of the Delta Sigma Theta license plates,
23 until: (1) the Eastern Region or the individual or entity designated
24 by the Eastern Region has provided the commission with the money
25 necessary to offset the initial costs incurred by the commission in
26 establishing the Delta Sigma Theta license plate program; and (2)
27 the Eastern Region liaison has provided the commission with a
28 minimum of 500 completed applications for the Delta Sigma Theta
29 license plates.

30 The provisions of the bill will remain inoperative until the first
31 day of the seventh month after the appropriate applications and fees
32 required to offset the initial costs incurred by the commission are
33 provided by the Eastern Region liaison. The bill expires on the last
34 day of the 12th month if sufficient applications and fees to offset
35 the initial costs are not received by that date.

ASSEMBLY TRANSPORTATION AND INDEPENDENT
AUTHORITIES COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2401

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 2018

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 2401.

As amended and reported, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Delta Sigma Theta license plates.

The bill provides that the design of the Delta Sigma Theta license plate is to display appropriate words or a slogan and an emblem honoring the Delta Sigma Theta Sorority, Inc. (Delta Sigma Theta). The chief administrator is to, in consultation with the Eastern Regional Director of Delta Sigma Theta, select the design and color scheme of the Delta Sigma Theta license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Delta Sigma Theta license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Delta Sigma Theta License Plate Fund." The proceeds of the fund are to be annually appropriated to Delta Sigma Theta to be used to support the organization's mission and programs.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the Delta Sigma Theta license plate program. The bill also requires that the Eastern Regional Director of Delta Sigma Theta appoint a liaison to represent the Eastern Region of Delta Sigma Theta (Eastern Region) in all communications with the commission regarding the Delta Sigma Theta license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the website of the commission. The Eastern Region, or an individual or entity designated by the Eastern Region, may also publicize the availability of the license plates in any manner the Eastern Region deems appropriate.

The bill provides that State or other public funds are not to be used by the commission for the initial cost to implement the Delta Sigma Theta license plate program. The bill requires the Eastern Region or an individual or entity designated by the Eastern Region to contribute non-public monies, not to exceed \$25,000, to offset the initial costs to design, produce, issue, and publicize the license plates and for computer programming changes which may be necessary to implement the program. The bill authorizes the Eastern Region to receive funds from private sources to be used to offset the initial costs.

The chief administrator is not required to design, produce, issue, or publicize the availability of the Delta Sigma Theta license plates or make any necessary programming changes, until: (1) the Eastern Region or the individual or entity designated by the Eastern Region has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Delta Sigma Theta license plate program; and (2) the Eastern Region liaison has provided the commission with a minimum of 500 completed applications for the Delta Sigma Theta license plates.

The provisions of the bill will remain inoperative until the first day of the seventh month after the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by the Eastern Region liaison. The bill expires on the last day of the 12th month if sufficient applications and fees to offset the initial costs are not received by that date.

COMMITTEE AMENDMENTS

The committee amended the bill to make grammatical corrections.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 2401

STATE OF NEW JERSEY

DATED: JUNE 18, 2018

The Assembly Budget Committee reports favorably Assembly Bill No. 2401.

This bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Delta Sigma Theta license plates.

The bill provides that the design of the Delta Sigma Theta license plate is to display appropriate words or a slogan and an emblem honoring the Delta Sigma Theta Sorority, Inc. (Delta Sigma Theta). The chief administrator is to, in consultation with the Eastern Regional Director of Delta Sigma Theta, select the design and color scheme of the Delta Sigma Theta license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Delta Sigma Theta license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Delta Sigma Theta License Plate Fund." The proceeds of the fund are to be annually appropriated to Delta Sigma Theta to be used to support the organization's mission and programs.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the Delta Sigma Theta license plate program. The bill also requires that the Eastern Regional Director of Delta Sigma Theta appoint a liaison to represent the Eastern Region of Delta Sigma Theta (Eastern Region) in all communications with the commission regarding the Delta Sigma Theta license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the website of the commission. The Eastern Region, or an individual or entity designated by the Eastern Region, may also publicize the availability of the license plates in any manner the Eastern Region deems appropriate.

The bill provides that State or other public funds are not to be used by the commission for the initial cost to implement the Delta Sigma Theta license plate program. The bill requires the Eastern Region or an individual or entity designated by the Eastern Region to contribute non-public monies in an amount to be determined by the chief administrator, not to exceed \$25,000, to offset the initial costs to design, produce, issue, and publicize the license plates and for computer programming changes which may be necessary to implement the program. The bill authorizes the Eastern Region to receive funds from private sources to be used to offset the initial costs.

The chief administrator is not required to design, produce, issue, or publicize the availability of the Delta Sigma Theta license plates or make any necessary programming changes, until: (1) the Eastern Region or the individual or entity designated by the Eastern Region has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Delta Sigma Theta license plate program; and (2) the Eastern Region liaison has provided the commission with a minimum of 500 completed applications for the Delta Sigma Theta license plates.

The provisions of the bill will remain inoperative until the first day of the seventh month after the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by the Eastern Region liaison. The bill expires on the last day of the 12th month if sufficient applications and fees to offset the initial costs are not received by that date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the new specialty license plate the New Jersey Motor Vehicle Commission (MVC) will receive. The OLS notes, however, that the implementation of the bill is conditioned upon the receipt by the MVC of a minimum of 500 applications for the new specialty license plate.

The bill establishes the Delta Sigma Theta license plate program in such a manner that the MVC may fully recover the expenses incurred in administering the program. The MVC has identified its initial cost of designing and establishing a new license plate series as \$62,000, which is largely attributable to computer system changes, and the per plate cost of an initial 550 plate run at \$6.60 per license plate, for a total cost of \$65,700.

The MVC will receive a \$50 Delta Sigma Theta license plate application fee in addition to a \$10 annual renewal fee. Initial fee collections will reimburse the MVC for the expenses it incurs in administering the program. In addition, the MVC will have to receive an initial payment of up to \$25,000 and a minimum of 500 license

plate applications for a total of \$50,000 to offset initial costs before license plate production begins. The MVC will then be permitted to retain additional fee amounts until its costs are fully reimbursed.

After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated to the Delta Sigma Theta Sorority, Inc.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 2401

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JUNE 21, 2018

SUMMARY

Synopsis: Authorizes issuance of Delta Sigma Theta license plates.

Types of Impact: Annual State revenue and expenditure increases.

Agencies Affected: New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Thereafter</u>
State Cost Increase	\$65,700	Indeterminate
State Revenue Increase	\$50,000	At least \$15,700

- The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the new specialty license plate the New Jersey Motor Vehicle Commission (MVC) will receive. The OLS notes, however, that the implementation of the bill is conditioned upon the receipt by the MVC of a minimum of 500 applications for the new specialty license plate.
- The bill establishes the Delta Sigma Theta license plate program in such a manner that the MVC may fully recover the expenses incurred in administering the program. The MVC has identified its initial cost of designing and establishing a new license plate series as \$62,000, which is largely attributable to computer system changes, and the per plate cost of an initial 550 plate run at \$6.60 per license plate, for a total cost of \$65,700.
- The MVC will receive a \$50 Delta Sigma Theta license plate application fee in addition to a \$10 annual renewal fee. Initial fee collections will reimburse the MVC for the expenses it incurs in administering the program. In addition, the MVC will have to receive an initial payment of up to \$25,000 and a minimum of 500 license plate applications for a total of \$50,000 to offset initial costs before license plate production begins. The MVC will then be permitted to retain additional fee amounts until its costs are fully reimbursed.

- After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated to the Delta Sigma Theta Sorority, Inc.

BILL DESCRIPTION

This bill authorizes the MVC to issue special Delta Sigma Theta license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Delta Sigma Theta license plates. After the deduction of the MVC's cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Delta Sigma Theta License Plate Fund." Fund proceeds are to be annually appropriated to the Delta Sigma Theta Sorority, Inc.

State or other public funds are not to be used for the initial cost to establish the Delta Sigma Theta license plate program. Accordingly, the MVC is not required to implement the program if the following conditions are not met in the first 12 months following the date of enactment: (1) an individual or entity designated by the Delta Sigma Theta Sorority, Inc. has contributed non-public moneys, not to exceed \$25,000, to offset the MVC's initial cost to establish the program; and (2) the MVC has received a minimum of 500 completed applications for the specialty license plates. Once the two conditions are met, the MVC has six months to implement the program.

Upon program implementation the MVC is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the MVC may discontinue the program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill. However, in response to an OLS Discussion Point in the FY 2017-2018 Department of Transportation and Motor Vehicle Commission Budget Analysis, the MVC indicated that its upfront cost was \$65,700 to set up a license plate program, which includes computer changes and the initial print run of 550 plates.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the new specialty license plate the MVC will receive.

The bill establishes the Delta Sigma Theta license plate program in such a manner that the MVC may fully recover the expenses it incurs in administering the program. But the MVC may also, at its discretion, operate the program at a net cost. If the number of license plate applications is below 500 in the first 12 months following the effective date, the bill will expire without the creation of the license plate program. Conversely, if the number of applications is

equal to or greater than 500, the MVC will be able to recover its costs within no more than three years of the creation of the program.

Before the MVC begins designing and producing the license plates, the Delta Sigma Theta Sorority, Inc. is required to provide up to \$25,000 and pre-register 500 applicants for the license plates. This requirement ensures that the MVC will be able to recover its initial costs in producing the license plates, and if enough funds are not provided, the MVC will not be required to produce the license plates. The payment of up to \$25,000 is required to come from private sources so the amount is not expected to be a State or local cost.

Upon production of the license plates, the MVC may still discontinue the program if the production cost exceeds \$50 per license plate, which is the initial fee that the MVC will collect for each plate. This ensures that the MVC will not experience any net costs in the administration of this license plate program. The current cost per plate to the MVC is \$6.60 so it is unlikely that the MVC will experience any net cost in the administration of the program.

The MVC indicated in response to an FY 2017-2018 OLS Discussion Point that it faced an upfront cost of \$65,700 to set up a license plate program, which includes computer changes and the initial print run of 550 license plates. The requirements of the bill would provide the MVC with the first \$50,000 of those costs through the initial \$25,000 payment and the first 500 license plate sales. The remaining \$15,700 would either be recovered through the sale of additional Delta Sigma Theta Sorority license plates or by retaining collections from the \$10 annual fee. The first 500 plate sales will generate \$5,000 per year from the \$10 annual renewal fee. So in the event that no other plates were purchased under the program, the MVC would largely recover the remaining costs after three years of collecting the annual fee.

The bill prevents the MVC from realizing net revenues in administering the program because the bill requires the MVC to deposit all program fees into a special fund to be appropriated to the Delta Sigma Theta Sorority, Inc. once the MVC has subtracted its costs in administering the program. The combination of guaranteed fee collection for the MVC and the limit on retaining any fees greater than its cost creates a scenario where there is likely to be no net fiscal impact to the MVC in the administration of this license plate program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Lead Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 2618

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED MAY 31, 2018

Sponsored by:

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

SYNOPSIS

Authorizes issuance of Delta Sigma Theta license plates.

CURRENT VERSION OF TEXT

As introduced.



S2618 CUNNINGHAM

2

1 AN ACT authorizing the issuance of Delta Sigma Theta license
2 plates and supplementing chapter 3 of Title 39 of the Revised
3 Statutes.

4

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

7

8 1. a. Upon proper application, the Chief Administrator of the
9 New Jersey Motor Vehicle Commission shall issue Delta Sigma
10 Theta license plates for any motor vehicle owned or leased and
11 registered in this State. In addition to the registration number and
12 other markings or identification otherwise prescribed by law, the
13 license plates shall display appropriate words or a slogan and
14 emblem honoring Delta Sigma Theta Sorority, Inc. The chief
15 administrator shall, in consultation with the Eastern Regional
16 Director of Delta Sigma Theta Sorority, Inc., select the design and
17 color scheme of the Delta Sigma Theta license plates. The Delta
18 Sigma Theta license plates shall be subject to the provisions of
19 chapter 3 of Title 39 of the Revised Statutes, except as hereinafter
20 otherwise specifically provided.

21 b. Application for issuance of Delta Sigma Theta license plates
22 shall be made to the chief administrator on forms and in a manner
23 prescribed by the chief administrator. In order to be deemed
24 complete, an application shall be accompanied by a fee of \$50,
25 payable to the New Jersey Motor Vehicle Commission, which shall
26 be in addition to the fees otherwise prescribed by law for the
27 registration of a motor vehicle. The chief administrator shall collect
28 annually, subsequent to the year of issuance of the Delta Sigma
29 Theta license plates, a \$10 fee for the license plates in addition to
30 the fees otherwise prescribed by law for the registration of a motor
31 vehicle. The additional fees required by this subsection shall be
32 deposited in the "Delta Sigma Theta License Plate Fund" created
33 pursuant to subsection c. of this section.

34 c. There is created in the Department of the Treasury a special
35 non-lapsing fund to be known as the "Delta Sigma Theta License
36 Plate Fund." There shall be deposited in the fund the amount
37 collected from all license plate fees collected pursuant to subsection
38 b. of this section, less the amounts necessary to reimburse the
39 commission for administrative costs pursuant to subsection d. of
40 this section. Monies deposited in the fund shall be appropriated
41 annually to the Delta Sigma Theta Sorority, Inc. to be used to
42 support the organization's mission and programs, which include
43 educational development programs for youth and economic
44 development, social action, and health initiatives for disadvantaged
45 communities. Monies deposited in the fund shall be held in
46 interest-bearing accounts in public depositories as defined pursuant
47 to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or
48 reinvested in securities approved by the State Treasurer. Interest or

1 other income earned on monies deposited into the fund, and any
2 monies which may be appropriated or otherwise become available
3 for the purposes of the fund, shall be credited to and deposited in
4 the fund for use as set forth in P.L. , c. (C.) (pending
5 before the Legislature as this bill).

6 d. Prior to the deposit of the additional fees collected pursuant
7 to subsection b. of this section into the "Delta Sigma Theta License
8 Plate Fund," amounts thereof as are necessary shall be used to
9 reimburse the commission for all costs reasonably and actually
10 incurred, as stipulated by the chief administrator, for:

11 (1) designing, producing, issuing, renewing, and publicizing the
12 availability of the Delta Sigma Theta license plates; and

13 (2) any computer programming changes that may be initially
14 necessary to implement the Delta Sigma Theta license plate
15 program in an amount not to exceed \$150,000.

16 The chief administrator shall annually certify to the State
17 Treasurer the average cost per license plate incurred in the
18 immediately preceding year by the commission in producing,
19 issuing, renewing, and publicizing the availability of the Delta
20 Sigma Theta license plates. The annual certification of the average
21 cost per license plate shall be approved by the Joint Budget
22 Oversight Committee, or its successor.

23 In the event that the average cost per license plate as certified by
24 the chief administrator and approved by the Joint Budget Oversight
25 Committee, or its successor, is greater than the \$50 application fee
26 established in subsection b. of this section in two consecutive fiscal
27 years, the chief administrator may discontinue the issuance of Delta
28 Sigma Theta license plates.

29 e. The chief administrator shall notify eligible motorists of the
30 opportunity to obtain Delta Sigma Theta license plates by
31 publicizing the availability of the license plates on the
32 commission's website. The Eastern Region of Delta Sigma Theta
33 Sorority, Inc., and any other individual or entity designated by the
34 Eastern Region of Delta Sigma Theta Sorority, Inc., may publicize
35 the availability of the Delta Sigma Theta license plates in any
36 manner that the Eastern Region of Delta Sigma Theta Sorority, Inc.
37 deems appropriate.

38 f. The chief administrator and the Eastern Regional Director of
39 Delta Sigma Theta Sorority, Inc. shall develop and enter into a
40 memorandum of agreement setting forth the procedures to be
41 followed in carrying out their respective responsibilities under
42 P.L. , c. (C.) (pending before the Legislature as this bill).

43 g. The Eastern Regional Director of Delta Sigma Theta
44 Sorority, Inc. shall appoint a representative who shall act as a
45 liaison between Eastern Region of Delta Sigma Theta Sorority, Inc.
46 and the commission. The liaison shall represent the Eastern Region
47 of Delta Sigma Theta Sorority, Inc. in any and all communications
48 with the commission regarding the Delta Sigma Theta license plates

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1 established by P.L. , c. (C.) (pending before the
2 Legislature as this bill).

3

4 2. a. State or public funds shall not be used by the
5 commission for the initial cost of:

6 (1) designing, producing, issuing, and publicizing the
7 availability of Delta Sigma Theta license plates; or

8 (2) any computer programming changes which may be
9 necessary to implement the Delta Sigma Theta license plate
10 program established by P.L. , c. (C.) (pending before the
11 Legislature as this bill).

12 b. The Eastern Region of Delta Sigma Theta Sorority, Inc. or
13 an individual or entity designated by the Eastern Region of Delta
14 Sigma Theta Sorority, Inc., shall contribute non-public monies in an
15 amount to be determined by the chief administrator, not to exceed a
16 total of \$25,000, to be used to offset the initial costs incurred by the
17 commission for designing, producing, issuing, and publicizing the
18 availability of Delta Sigma Theta license plates, and any computer
19 programming which may be necessary to implement the program.
20 Concerned organizations and individual donors may contribute
21 monies to the Eastern Region of Delta Sigma Theta Sorority, Inc. to
22 be used to offset the initial costs incurred by the commission for the
23 Delta Sigma Theta license plates authorized by P.L. , c. (C.)
24 (pending before the Legislature as this bill). Any amount remaining
25 after the payment of the initial cost shall be deposited in the “Delta
26 Sigma Theta License Plate Fund” established pursuant to subsection
27 c. of section 1 of P.L. , c. (C.) (pending before the
28 Legislature as this bill).

29 c. The commission shall not begin designing, producing,
30 issuing, or publicizing the availability of Delta Sigma Theta license
31 plates, or making any necessary programming changes, until the
32 following requirements have been met:

33 (1) The Eastern Region of Delta Sigma Theta Sorority, Inc. or
34 an individual or entity designated by the Eastern Region of Delta
35 Sigma Theta Sorority, Inc., has provided the commission with the
36 money necessary, as determined by the chief administrator pursuant
37 to subsection b. of this section, to offset the initial costs incurred by
38 the commission in establishing the Delta Sigma Theta license plate
39 program; and

40 (2) The liaison appointed by the Eastern Regional Director of
41 Delta Sigma Theta Sorority, Inc. pursuant to subsection g. of
42 section 1 of P.L. , c. (C.) (pending before the Legislature
43 as this bill) has provided the commission with not less than 500
44 completed applications for Delta Sigma Theta license plates. These
45 applications shall constitute the initial order for Delta Sigma Theta
46 license plates and shall be accompanied by a fee representing the
47 total cost of the initial order. The fee shall be determined by
48 multiplying the number of sets of license plates being ordered by

1 the applicable initial fee for each set of license plates as set forth in
2 subsection b. of section 1 of P.L. , c. (C.) (pending before
3 the Legislature as this bill).

4
5 3. This act shall take effect immediately, but shall remain
6 inoperative until the first day of the seventh month following the
7 date on which the conditions set forth in paragraphs (1) and (2) of
8 subsection c. of section 2 of this act have been satisfied. The chief
9 administrator may take anticipatory acts in advance of that date as
10 may be necessary for the timely implementation of this act. This
11 act shall expire if the conditions set forth in paragraphs (1) and (2)
12 of subsection c. of section 2 of this act are not satisfied by the last
13 day of the 12th month following enactment.

14
15
16 STATEMENT

17
18 This bill authorizes the Chief Administrator (chief administrator)
19 of the New Jersey Motor Vehicle Commission (commission) to
20 issue special Delta Sigma Theta license plates.

21 Delta Sigma Theta Sorority, Inc. was founded on January 13,
22 1913 by 22 collegiate women at Howard University to promote
23 academic excellence and provide assistance to those in need.
24 Currently, Delta Sigma Theta Sorority, Inc. is an organization of
25 college educated women committed to the constructive
26 development of its members and to public service, whose purpose is
27 to provide assistance and support through established programs in
28 local communities throughout the world.

29 The bill provides that the design of the Delta Sigma Theta
30 license plate is to display appropriate words or a slogan and an
31 emblem honoring Delta Sigma Theta Sorority, Inc.. The chief
32 administrator is to, in consultation with the Eastern Regional
33 Director of Delta Sigma Theta Sorority, select the design and color
34 scheme of the Delta Sigma Theta license plates.

35 In addition to all fees otherwise required by law for the
36 registration of a motor vehicle, there is an application fee of \$50
37 and an annual renewal fee of \$10 for the Delta Sigma Theta license
38 plates. After the deduction of the cost of designing, producing,
39 issuing, renewing, and publicizing the plates and of any computer
40 programming changes that are necessary to implement the license
41 plate program, in an amount not to exceed \$150,000, the additional
42 fees will be deposited into a special non-lapsing fund known as the
43 "Delta Sigma Theta License Plate Fund." The proceeds of the fund
44 are to be annually appropriated to the Delta Sigma Theta Sorority,
45 Inc., to be used to support the organization's mission and programs,
46 which include educational development programs for youth and
47 economic development, social action, and health initiatives for
48 disadvantaged communities.

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6

1 The chief administrator is required to annually certify the
2 average cost of producing, issuing, renewing, and publicizing the
3 availability of the specialty license plates. If the average cost per
4 plate exceeds \$50 in two consecutive fiscal years, the chief
5 administrator may discontinue the Delta Sigma Theta license plate
6 program. The bill also requires that the Eastern Regional Director
7 of Delta Sigma Theta Sorority, Inc. appoint a liaison to represent
8 the Eastern Region of Delta Sigma Theta Sorority, Inc. (Eastern
9 Region) in all communications with the commission regarding the
10 Delta Sigma Theta license plates.

11 The bill provides that State or other public funds are not to be
12 used by the commission for the initial cost to implement the Delta
13 Sigma Theta license plate program. The bill requires the Eastern
14 Region or an individual or entity designated by the Eastern Region
15 to contribute non-public monies, not to exceed \$25,000, to offset
16 the initial costs to design, produce, issue, and publicize the license
17 plates and for computer programming changes which may be
18 necessary to implement the program. The bill authorizes the
19 Eastern Region to receive funds from private sources to be used to
20 offset the initial costs.

21 The chief administrator is not required to design, produce, issue,
22 or publicize the availability of the Delta Sigma Theta license plates,
23 until: (1) the Eastern Region or the individual or entity designated
24 by the Eastern Region has provided the commission with the money
25 necessary to offset the initial costs incurred by the commission in
26 establishing the Delta Sigma Theta license plate program; and (2)
27 the Eastern Region liaison has provided the commission with a
28 minimum of 500 completed applications for the Delta Sigma Theta
29 license plates.

30 The provisions of the bill will remain inoperative until the first
31 day of the seventh month after the appropriate applications and fees
32 required to offset the initial costs incurred by the commission are
33 provided by the Eastern Region liaison. The bill expires on the last
34 day of the 12th month if sufficient applications and fees to offset
35 the initial costs are not received by that date.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 2618

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 11, 2018

The Senate Transportation Committee reports favorably and with committee amendments Senate Bill No. 2618.

As amended and reported, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Delta Sigma Theta license plates.

The bill provides that the design of the Delta Sigma Theta license plate is to display appropriate words or a slogan and an emblem honoring the Delta Sigma Theta Sorority, Inc. (Delta Sigma Theta). The chief administrator is to, in consultation with the Eastern Regional Director of Delta Sigma Theta, select the design and color scheme of the Delta Sigma Theta license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Delta Sigma Theta license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Delta Sigma Theta License Plate Fund." The proceeds of the fund are to be annually appropriated to Delta Sigma Theta to be used to support the organization's mission and programs.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the Delta Sigma Theta license plate program. The bill also requires that the Eastern Regional Director of Delta Sigma Theta appoint a liaison to represent the Eastern Region of Delta Sigma Theta (Eastern Region) in all communications with the commission regarding the Delta Sigma Theta license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the website of the commission. The Eastern Region, or an individual or entity designated by the

Eastern Region, may also publicize the availability of the license plates in any manner the Eastern Region deems appropriate.

The bill provides that State or other public funds are not to be used by the commission for the initial cost to implement the Delta Sigma Theta license plate program. The bill requires the Eastern Region or an individual or entity designated by the Eastern Region to contribute non-public monies, not to exceed \$25,000, to offset the initial costs to design, produce, issue, and publicize the license plates and for computer programming changes which may be necessary to implement the program. The bill authorizes the Eastern Region to receive funds from private sources to be used to offset the initial costs.

The chief administrator is not required to design, produce, issue, or publicize the availability of the Delta Sigma Theta license plates or make any necessary programming changes, until: (1) the Eastern Region or the individual or entity designated by the Eastern Region has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Delta Sigma Theta license plate program; and (2) the Eastern Region liaison has provided the commission with a minimum of 500 completed applications for the Delta Sigma Theta license plates.

The provisions of the bill will remain inoperative until the first day of the seventh month after the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by the Eastern Region liaison. The bill expires on the last day of the 12th month if sufficient applications and fees to offset the initial costs are not received by that date.

The committee amended the bill to make grammatical corrections.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2618 STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JULY 2, 2018

SUMMARY

Synopsis: Authorizes issuance of Delta Sigma Theta license plates.

Types of Impact: Annual State revenue and expenditure increases.

Agencies Affected: New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Thereafter</u>
State Cost Increase	\$65,700	Indeterminate
State Revenue Increase	\$50,000	At least \$15,700

- The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the new specialty license plate the New Jersey Motor Vehicle Commission (MVC) will receive. The OLS notes, however, that the implementation of the bill is conditioned upon the receipt by the MVC of a minimum of 500 applications for the new specialty license plate.
- The bill establishes the Delta Sigma Theta license plate program in such a manner that the MVC may fully recover the expenses incurred in administering the program. The MVC has identified its initial cost of designing and establishing a new license plate series as \$62,000, which is largely attributable to computer system changes, and the per plate cost of an initial 550 plate run at \$6.60 per license plate, for a total cost of \$65,700.
- The MVC will receive a \$50 Delta Sigma Theta license plate application fee in addition to a \$10 annual renewal fee. Initial fee collections will reimburse the MVC for the expenses it incurs in administering the program. In addition, the MVC will have to receive an initial payment of up to \$25,000 and a minimum of 500 license plate applications for a total of \$50,000 to offset initial costs before license plate production begins. The MVC will then be permitted to retain additional fee amounts until its costs are fully reimbursed.

- After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated to the Delta Sigma Theta Sorority, Inc.

BILL DESCRIPTION

This bill authorizes the MVC to issue special Delta Sigma Theta license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Delta Sigma Theta license plates. After the deduction of the MVC's cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Delta Sigma Theta License Plate Fund." Fund proceeds are to be annually appropriated to the Delta Sigma Theta Sorority, Inc.

State or other public funds are not to be used for the initial cost to establish the Delta Sigma Theta license plate program. Accordingly, the MVC is not required to implement the program if the following conditions are not met in the first 12 months following the date of enactment: (1) an individual or entity designated by the Delta Sigma Theta Sorority, Inc. has contributed non-public moneys, not to exceed \$25,000, to offset the MVC's initial cost to establish the program; and (2) the MVC has received a minimum of 500 completed applications for the specialty license plates. Once the two conditions are met, the MVC has six months to implement the program.

Upon program implementation the MVC is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the MVC may discontinue the program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill. However, in response to an OLS Discussion Point in the FY 2017-2018 Department of Transportation and Motor Vehicle Commission Budget Analysis, the MVC indicated that its upfront cost was \$65,700 to set up a license plate program, which includes computer changes and the initial print run of 550 plates.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the new specialty license plate the MVC will receive.

The bill establishes the Delta Sigma Theta license plate program in such a manner that the MVC may fully recover the expenses it incurs in administering the program. But the MVC may also, at its discretion, operate the program at a net cost. If the number of license plate applications is below 500 in the first 12 months following the effective date, the bill will expire without the creation of the license plate program. Conversely, if the number of applications is

equal to or greater than 500, the MVC will be able to recover its costs within no more than three years of the creation of the program.

Before the MVC begins designing and producing the license plates, the Delta Sigma Theta Sorority, Inc. is required to provide up to \$25,000 and pre-register 500 applicants for the license plates. This requirement ensures that the MVC will be able to recover its initial costs in producing the license plates, and if enough funds are not provided, the MVC will not be required to produce the license plates. The payment of up to \$25,000 is required to come from private sources so the amount is not expected to be a State or local cost.

Upon production of the license plates, the MVC may still discontinue the program if the production cost exceeds \$50 per license plate, which is the initial fee that the MVC will collect for each plate. This ensures that the MVC will not experience any net costs in the administration of this license plate program. The current cost per plate to the MVC is \$6.60 so it is unlikely that the MVC will experience any net cost in the administration of the program.

The MVC indicated in response to an FY 2017-2018 OLS Discussion Point that it faced an upfront cost of \$65,700 to set up a license plate program, which includes computer changes and the initial print run of 550 license plates. The requirements of the bill would provide the MVC with the first \$50,000 of those costs through the initial \$25,000 payment and the first 500 license plate sales. The remaining \$15,700 would either be recovered through the sale of additional Delta Sigma Theta Sorority license plates or by retaining collections from the \$10 annual fee. The first 500 plate sales will generate \$5,000 per year from the \$10 annual renewal fee. So in the event that no other plates were purchased under the program, the MVC would largely recover the remaining costs after three years of collecting the annual fee.

The bill prevents the MVC from realizing net revenues in administering the program because the bill requires the MVC to deposit all program fees into a special fund to be appropriated to the Delta Sigma Theta Sorority, Inc. once the MVC has subtracted its costs in administering the program. The combination of guaranteed fee collection for the MVC and the limit on retaining any fees greater than its cost creates a scenario where there is likely to be no net fiscal impact to the MVC in the administration of this license plate program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Lead Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

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Newark, N.J.

Governor Murphy Takes Action on Legislation

08/24/2018

TRENTON - Today, Governor Phil Murphy signed the following bills into law:

A542 (Mazzeo, Lagana, Andrzejczak, Zwicker, Land, Benson, Downey/Ruiz, Bateman) - Requires certain schools to maintain supply of opioid antidotes and permits emergency administration of opioid antidote by school nurse or trained employee.

A1675 (Dancer, Conaway, Caride, Space/Beach, Smith) - Authorizes prescribed burning in certain circumstances.

A2035 (McKeon, Schaer/Pou, Cruz-Perez) - Revises "New Jersey Residential Mortgage Lending Act."

A2401 (Wimberly, Mukherji, Reynolds-Jackson/Cunningham, Gill, Turner) - Authorizes issuance of Delta Sigma Theta license plates.

A3463 (Murphy, Downey, Houghtaling/Gopal, Cruz-Perez) - Requires district boards of election to report every two hours number of voters who have voted at each precinct; authorizes challengers to request reported count.

A3628 (Greenwald, Moriarty, Murphy/Weinberg, Diegnan) - Establishes New Jersey Civic Information Consortium.

[Copy of Statement on A3628](#)

A3871 (Chiaravalloti, Egan/Diegnan, Cruz-Perez) - Concerns disqualification from unemployment benefits for misconduct.

A3904 (McKeon, Jasey, Schepisi/Cardinale, Stack) - "Tommy's Law"; requires NJT to take certain action and adopt policies concerning person injured or killed in incidents involving NJT motorbuses and rail or light rail vehicles.

A4120 (Pintor Marin, Tucker, DeAngelo/Rice, Ruiz) - Authorizes special assessments and bond issuance to replace lead-contaminated water service lines.

A4208 (Jasey, Lopez, Sumter/Rice) - Establishes "New Jersey Complete Count Commission."

A4249 (Wimberly, Pintor Marin/Ruiz, Vitale) - Expands per adjusted admission charge on hospitals to create supplemental funding pool for State's graduate medical education subsidy; appropriates \$24,285,714.

A4259 (Pintor Marin, Calabrese/Sarlo, Ruiz) - Restructures tickets sales law.

[Copy of Statement on A4259](#)

AJR137 (Pinkin/Greenstein) - Designates month of July of each year as "Smart Irrigation Month."

S2145 (Scutari, Sweeney/DeAngelo, Downey, Mukherji) - Concerns attorney fees for workers' compensation

awards.

SJR14 (Pou, Ruiz/Chaparro, Lopez, Jimenez) - Designates September 20th of each year as Hispanic Journalist Pride Day.

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Governor Phil Murphy

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