

Article VIII, Section II, Paragraph 4 New Jersey Constitution

LEGISLATIVE HISTORY CHECKLIST

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(Dedicates all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.)

New Jersey Constitution: Article VIII, Section II, Paragraph 4

BILL NO: ACR1

SPONSOR: Prieto, Wisniewski, Singleton, Lagana, Spencer, Sacco, Pennacchio, Jimenez, Coughlin, Jones, Eustace

DATE INTRODUCED: 12/14/2015

COMMITTEE: **Assembly:** Judiciary

Senate: Transportation

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 1/11/2016

SENATE: 1/11/2016

FILED WITH SECRETARY OF STATE: 1/11/2016

DATE OF ADOPTION: 11/8/2016

EFFECTIVE: 12/8/2016

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

SPONSOR'S STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>.

REPORTS: No

HEARINGS:

No

974.90 Public hearing before Assembly Judiciary Committee : Assembly Concurrent Resolution 1: amends State
T235 Constitution to dedicate all revenues from motor fuels and petroleum products gross receipts tax to
2016 transportation system [January 7, 2016, Trenton, New Jersey]

NEWSPAPER ARTICLES:

Yes

Marcus, By Samantha. "Assembly wants voters to dedicate gas tax for transportation projects." *Jersey Journal, The (Jersey City, NJ)*, December 18, 2015: A,L6.

Levinsky, Dave. "NJ lawmakers reach accord on casino expansion on final day of lame-duck session." *Burlington County Times: Web Edition Articles (NJ)*, January 11, 2016

"POLITICAL IN-FIGHTING STALLS GAS TAX REVENUE AMENDMENT." *Star-Ledger, The (Newark, NJ)*, January 11, 2016: 3.

BRENNAN, JOHN. "POLL: MOST OPPOSE NORTH JERSEY CASINOS - GAS TAX DEDICATION MEASURE ONLY NARROWLY SUPPORTED." *Herald News (West Paterson, NJ)*, July 12, 2016: B06

"Vote! - Here's a breakdown of what's on the local ballot this Election Day." *West Milford Messenger, The (NJ)*, November 3, 2016

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**ASSEMBLY CONCURRENT
RESOLUTION No. 1**

**STATE OF NEW JERSEY
216th LEGISLATURE**

INTRODUCED DECEMBER 14, 2015

Sponsored by:

**Assemblyman VINCENT PRIETO
District 32 (Bergen and Hudson)
Assemblyman JOHN S. WISNIEWSKI
District 19 (Middlesex)
Assemblyman TROY SINGLETON
District 7 (Burlington)
Assemblyman JOSEPH A. LAGANA
District 38 (Bergen and Passaic)
Assemblywoman L. GRACE SPENCER
District 29 (Essex)
Senator NICHOLAS J. SACCO
District 32 (Bergen and Hudson)
Senator JOSEPH PENNACCHIO
District 26 (Essex, Morris and Passaic)**

Co-Sponsored by:

**Assemblywoman Jimenez, Assemblyman Coughlin, Assemblywoman Jones
and Assemblyman Eustace**

SYNOPSIS

Amends State Constitution to dedicate all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 1/12/2016)

1 A **CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section II, paragraph 4 of the New Jersey Constitution.

3

4 **BE IT RESOLVED** by the General Assembly of the State of New
5 Jersey (the Senate concurring):

6

7 1. The following proposed amendment to the Constitution of
8 the State of New Jersey is agreed to:

9

10 PROPOSED AMENDMENT

11

12 Amend Article VIII, Section II, paragraph 4 to read as follows:

13 4. There shall be credited to a special account in the General
14 Fund:

15 (a) for each State fiscal year commencing on and after July 1,
16 2007 through the State fiscal year commencing on July 1, 2015 an
17 amount equivalent to the revenue derived from \$0.105 per gallon
18 from the tax imposed on the sale of motor fuels pursuant to chapter
19 39 of Title 54 of the Revised Statutes, and for each State fiscal year
20 thereafter, an amount equivalent to all revenue derived from the
21 collection of the tax imposed on the sale of motor fuels pursuant to
22 chapter 39 of Title 54 of the Revised Statutes or any other
23 subsequent law of similar effect;

24 (b) for the State fiscal year 2001 an amount not less than
25 \$100,000,000 derived from the State revenues collected from the
26 tax on the gross receipts of the sale of petroleum products imposed
27 pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and
28 supplemented, or any other subsequent law of similar effect, **[and]**
29 for each State fiscal year **[thereafter]** from State fiscal year 2002
30 through State fiscal year 2016 an amount not less than
31 \$200,000,000 derived from those revenues , and for each State
32 fiscal year thereafter, an amount equivalent to all revenue derived
33 from the collection of the tax on the gross receipts of the sale of
34 petroleum products imposed pursuant to P.L.1990, c.42 (C.54:15B-
35 1 et seq.) as amended and supplemented, or any other subsequent
36 law of similar effect; and

37 (c) for the State fiscal year 2002 an amount not less than
38 \$80,000,000 from the State revenue collected from the State tax
39 imposed under the "Sales and Use Tax Act," pursuant to P.L.1966,
40 c.30 (C.54:32B-1 et seq.), as amended and supplemented, or any
41 other subsequent law of similar effect, for the State fiscal year
42 2003 an amount not less than \$140,000,000 from those revenues,
43 and for each State fiscal year thereafter an amount not less than
44 \$200,000,000 from those revenues;

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.

1 provided, however, the dedication and use of such revenues as
2 provided in this paragraph shall be subject and subordinate to (a) all
3 appropriations of revenues from such taxes made by laws enacted
4 on or before December 7, 2006 in accordance with Article VIII,
5 Section II, paragraph 3 of the State Constitution in order to provide
6 the ways and means to pay the principal and interest on bonds of the
7 State presently outstanding or authorized to be issued under such
8 laws or (b) any other use of those revenues enacted into law on or
9 before December 7, 2006. These amounts shall be appropriated
10 from time to time by the Legislature, only for the purposes of
11 paying or financing the cost of planning, acquisition, engineering,
12 construction, reconstruction, repair and rehabilitation of the
13 transportation system in this State and it shall not be competent for
14 the Legislature to borrow, appropriate or use these amounts or any
15 part thereof for any other purpose, under any pretense whatever.
16 (cf: Art. VIII, Sec. II, par. 4; amended effective December 7, 2006)
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18 2. When this proposed amendment to the Constitution is finally
19 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
20 shall be submitted to the people at the next general election
21 occurring more than three months after the final agreement and
22 shall be published at least once in at least one newspaper of each
23 county designated by the President of the Senate, the Speaker of the
24 General Assembly and the Secretary of State, not less than three
25 months prior to the general election.
26

27 3. This proposed amendment to the Constitution shall be
28 submitted to the people at that election in the following manner and
29 form:

30 There shall be printed on each official ballot to be used at the
31 general election, the following:

32 a. In every municipality in which voting machines are not used,
33 a legend which shall immediately precede the question as follows:

34 If you favor the proposition printed below make a cross (X), plus
35 (+), or check (✓) in the square opposite the word "Yes." If you are
36 opposed thereto make a cross (X), plus (+) or check (✓) in the
37 square opposite the word "No."

38 b. In every municipality the following question:

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		<p>CONSTITUTIONAL AMENDMENT TO DEDICATE ADDITIONAL REVENUES TO STATE TRANSPORTATION SYSTEM</p>
	<p>YES</p>	<p>Do you approve amending the Constitution to dedicate all revenue from the State motor fuels tax and petroleum products gross receipts tax to the Transportation Trust Fund?</p> <p>This amendment would provide that an additional three cents of the current motor fuels tax on diesel fuel, which is not dedicated for transportation purposes, be dedicated to the Transportation Trust Fund. In doing so, the entire State tax on diesel fuel would be used for transportation purposes. The entire State tax on gasoline is currently dedicated to the Transportation Trust Fund and used for transportation purposes.</p> <p>The amendment would also provide that all of the revenue from the current State tax on petroleum products gross receipts be dedicated to the Transportation Trust Fund. In doing so, the entire State tax on petroleum products gross receipts would be used for transportation purposes.</p> <p>This amendment does not change the current tax on motor fuels or petroleum products gross receipts.</p>

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		INTERPRETIVE STATEMENT
	NO	<p>This amendment would dedicate all of the revenue from the State tax on motor fuels to the Transportation Trust Fund. The current dedication is 10.5 cents per gallon on gasoline and diesel fuel. The amendment would include an additional three cents of the tax on diesel fuel that is not currently dedicated. The total revenue from the tax on motor fuels this fiscal year is estimated to be \$541 million.</p> <p>The amendment also dedicates all of the revenue from the tax on gross receipts of the sale of petroleum products to the Transportation Trust Fund. The current minimum dedication is \$200 million per year. This fiscal year, the revenue from the tax on gross receipts of the sale of petroleum products is estimated to be \$215 million.</p> <p>The amendment does not change the current tax on motor fuels or petroleum products gross receipts. The dedication to the Transportation Trust Fund ensures that the revenue is only used for transportation purposes.</p>

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STATEMENT

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This constitutional amendment dedicates all of the revenue from the motor fuels tax (gas tax) and the tax on the gross receipts of the sale of petroleum products (petroleum products tax) to the Transportation Trust Fund (trust fund).

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The proposed constitutional dedication from the gas tax is equal to all of the revenues from the gas tax. In State fiscal year 2016, it is anticipated that the current gas tax will generate \$541 million which is the amount generated by 10.5 cents per gallon on the sale of unleaded gasoline and 13.5 cents on the sale of diesel fuel. The current minimum dedication is 10.5 cents per gallon on the sale of unleaded gasoline and diesel fuel. This amendment dedicates the three cents of the existing motor fuels tax on diesel fuel that is not already dedicated.

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Under the amendment, the constitutional dedication from the petroleum products tax is equal to all of the revenues from the tax on the gross receipts of the sale of petroleum products. The current

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1 constitutional dedication from the tax on the gross receipts of
2 petroleum products is a minimum of \$200 million per year. In State
3 fiscal year 2016, it is anticipated that the current petroleum products
4 tax will generate \$215 million.

5 The amendment does not change the current gas tax or petroleum
6 products tax. Constitutionally dedicating revenues from the gas tax
7 and petroleum products tax to the trust fund ensures that the
8 revenue is only used for transportation purposes.

**SENATE CONCURRENT
RESOLUTION No. 190**

**STATE OF NEW JERSEY
216th LEGISLATURE**

INTRODUCED DECEMBER 21, 2015

Sponsored by:

Senator NICHOLAS J. SACCO

District 32 (Bergen and Hudson)

Senator JOSEPH PENNACCHIO

District 26 (Essex, Morris and Passaic)

SYNOPSIS

Amends State Constitution to dedicate all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/12/2016)

SCR190 SACCO, PENNACCHIO

2

1 A CONCURRENT RESOLUTION proposing to amend Article VIII,
2 Section II, paragraph 4 of the New Jersey Constitution.

3

4 BE IT RESOLVED by the Senate of the State of New Jersey (the
5 General Assembly concurring):

6

7 1. The following proposed amendment to the Constitution of
8 the State of New Jersey is agreed to:

9

10 PROPOSED AMENDMENT

11

12 Amend Article VIII, Section II, paragraph 4 to read as follows:

13 4. There shall be credited to a special account in the General
14 Fund:

15 (a) for each State fiscal year commencing on and after July 1,
16 2007 through the State fiscal year commencing on July 1, 2015 an
17 amount equivalent to the revenue derived from \$0.105 per gallon
18 from the tax imposed on the sale of motor fuels pursuant to chapter
19 39 of Title 54 of the Revised Statutes, and for each State fiscal year
20 thereafter, an amount equivalent to all revenue derived from the
21 collection of the tax imposed on the sale of motor fuels pursuant to
22 chapter 39 of Title 54 of the Revised Statutes or any other
23 subsequent law of similar effect;

24 (b) for the State fiscal year 2001 an amount not less than
25 \$100,000,000 derived from the State revenues collected from the
26 tax on the gross receipts of the sale of petroleum products imposed
27 pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and
28 supplemented, or any other subsequent law of similar effect, **[and]**
29 for each State fiscal year **[thereafter]** from State fiscal year 2002
30 through State fiscal year 2016 an amount not less than
31 \$200,000,000 derived from those revenues, and for each State
32 fiscal year thereafter, an amount equivalent to all revenue derived
33 from the collection of the tax on the gross receipts of the sale of
34 petroleum products imposed pursuant to P.L.1990, c.42 (C.54:15B-
35 1 et seq.) as amended and supplemented, or any other subsequent
36 law of similar effect; and

37 (c) for the State fiscal year 2002 an amount not less than
38 \$80,000,000 from the State revenue collected from the State tax
39 imposed under the "Sales and Use Tax Act," pursuant to P.L.1966,
40 c.30 (C.54:32B-1 et seq.), as amended and supplemented, or any
41 other subsequent law of similar effect, for the State fiscal year
42 2003 an amount not less than \$140,000,000 from those revenues,
43 and for each State fiscal year thereafter an amount not less than
44 \$200,000,000 from those revenues;

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.

SCR190 SACCO, PENNACCHIO

1 provided, however, the dedication and use of such revenues as
2 provided in this paragraph shall be subject and subordinate to (a) all
3 appropriations of revenues from such taxes made by laws enacted
4 on or before December 7, 2006 in accordance with Article VIII,
5 Section II, paragraph 3 of the State Constitution in order to provide
6 the ways and means to pay the principal and interest on bonds of the
7 State presently outstanding or authorized to be issued under such
8 laws or (b) any other use of those revenues enacted into law on or
9 before December 7, 2006. These amounts shall be appropriated
10 from time to time by the Legislature, only for the purposes of
11 paying or financing the cost of planning, acquisition, engineering,
12 construction, reconstruction, repair and rehabilitation of the
13 transportation system in this State and it shall not be competent for
14 the Legislature to borrow, appropriate or use these amounts or any
15 part thereof for any other purpose, under any pretense whatever.
16 (cf: Art. VIII, Sec. II, par. 4; amended effective December 7, 2006)
17

18 2. When this proposed amendment to the Constitution is finally
19 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
20 shall be submitted to the people at the next general election
21 occurring more than three months after the final agreement and
22 shall be published at least once in at least one newspaper of each
23 county designated by the President of the Senate, the Speaker of the
24 General Assembly and the Secretary of State, not less than three
25 months prior to the general election.
26

27 3. This proposed amendment to the Constitution shall be
28 submitted to the people at that election in the following manner and
29 form:

30 There shall be printed on each official ballot to be used at the
31 general election, the following:

32 a. In every municipality in which voting machines are not used,
33 a legend which shall immediately precede the question as follows:

34 If you favor the proposition printed below make a cross (X), plus
35 (+), or check (✓) in the square opposite the word "Yes." If you are
36 opposed thereto make a cross (X), plus (+) or check (✓) in the
37 square opposite the word "No."

38 b. In every municipality the following question:

SCR190 SACCO, PENNACCHIO

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	YES	<p style="text-align: center;">CONSTITUTIONAL AMENDMENT TO DEDICATE ADDITIONAL REVENUES TO STATE TRANSPORTATION SYSTEM</p> <p>Do you approve amending the Constitution to dedicate all revenue from the State motor fuels tax and petroleum products gross receipts tax to the Transportation Trust Fund?</p> <p>This amendment would provide that an additional three cents of the current motor fuels tax on diesel fuel, which is not dedicated for transportation purposes, be dedicated to the Transportation Trust Fund. In doing so, the entire State tax on diesel fuel would be used for transportation purposes. The entire State tax on gasoline is currently dedicated to the Transportation Trust Fund and used for transportation purposes.</p> <p>The amendment would also provide that all of the revenue from the current State tax on petroleum products gross receipts be dedicated to the Transportation Trust Fund. In doing so, the entire State tax on petroleum products gross receipts would be used for transportation purposes.</p> <p>This amendment does not change the current tax on motor fuels or petroleum products gross receipts.</p>
	NO	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>This amendment would dedicate all of the revenue from the State tax on motor fuels to the Transportation Trust Fund. The current dedication is 10.5 cents per gallon on gasoline and diesel fuel. The amendment would include an additional three cents of the tax on diesel fuel that is not currently dedicated. The total revenue from the tax on motor fuels this fiscal year is estimated to be \$541 million.</p> <p>The amendment also dedicates all of the revenue from the tax on gross receipts of the sale of petroleum products to the Transportation Trust Fund. The current minimum dedication is \$200 million per year. This fiscal year, the revenue from the tax on gross receipts of the sale of petroleum products is estimated to be \$215 million.</p> <p>The amendment does not change the current tax on motor fuels or petroleum products gross receipts. The dedication to the Transportation Trust Fund ensures that the revenue is only used for transportation purposes.</p>

STATEMENT

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This constitutional amendment dedicates all of the revenue from the motor fuels tax (gas tax) and the tax on the gross receipts of the sale of petroleum products (petroleum products tax) to the Transportation Trust Fund (trust fund).

The proposed constitutional dedication from the gas tax is equal to all of the revenues from the gas tax. In State fiscal year 2016, it is anticipated that the current gas tax will generate \$541 million which is the amount generated by 10.5 cents per gallon on the sale of unleaded gasoline and 13.5 cents on the sale of diesel fuel. The current minimum dedication is 10.5 cents per gallon on the sale of unleaded gasoline and diesel fuel. This amendment dedicates the three cents of the existing motor fuels tax on diesel fuel that is not already dedicated.

Under the amendment, the constitutional dedication from the petroleum products tax is equal to all of the revenues from the tax on the gross receipts of the sale of petroleum products. The current constitutional dedication from the tax on the gross receipts of petroleum products is a minimum of \$200 million per year. In State fiscal year 2016, it is anticipated that the current petroleum products tax will generate \$215 million.

The amendment does not change the current gas tax or petroleum products tax. Constitutionally dedicating revenues from the gas tax and petroleum products tax to the trust fund ensures that the revenue is only used for transportation purposes.

ASSEMBLY JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY CONCURRENT RESOLUTION No. 1

STATE OF NEW JERSEY

DATED: DECEMBER 17, 2015

The Assembly Judiciary Committee reports favorably Assembly Concurrent Resolution No. 1.

This constitutional amendment dedicates all of the revenue from the motor fuels tax (gas tax) and the tax on the gross receipts of the sale of petroleum products (petroleum products tax) to the Transportation Trust Fund (trust fund).

The proposed constitutional dedication from the gas tax is equal to all of the revenues from the gas tax. In State fiscal year 2016, it is anticipated that the current gas tax will generate \$541 million which is the amount generated by 10.5 cents per gallon on the sale of unleaded gasoline and 13.5 cents on the sale of diesel fuel. The current minimum dedication is 10.5 cents per gallon on the sale of unleaded gasoline and diesel fuel. This amendment dedicates the three cents of the existing motor fuels tax on diesel fuel that is not already dedicated.

Under the amendment, the constitutional dedication from the petroleum products tax is equal to all of the revenues from the tax on the gross receipts of the sale of petroleum products. The current constitutional dedication from the tax on the gross receipts of petroleum products is a minimum of \$200 million per year. In State fiscal year 2016, it is anticipated that the current petroleum products tax will generate \$215 million.

The amendment does not change the current gas tax or petroleum products tax. Constitutionally dedicating revenues from the gas tax and petroleum products tax to the trust fund ensures that the revenue is only used for transportation purposes.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY CONCURRENT RESOLUTION No. 1
STATE OF NEW JERSEY
216th LEGISLATURE

DATED: JANUARY 14, 2016

SUMMARY

Synopsis: Amends State Constitution to dedicate all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.

Type of Impact: Increased dedication of State revenue.

Agencies Affected: Department of Transportation

Office of Legislative Services Estimate

Fiscal Impact	<u>Fiscal Year 2017 and Thereafter</u>
State Revenue	Increased dedication – See comments below

- The Office of Legislative Services estimates that at current levels of revenue an additional \$34 million annually would become constitutionally dedicated to transportation system costs, \$15 million in revenue from taxation of the gross receipts from sale of petroleum products and \$19 million in revenue from taxation of motor fuels.
- The amendment would dedicate all revenues from taxes imposed by any subsequent laws of similar effect to current laws imposing taxes on gross receipts from sale of petroleum products and on motor fuels, respectively.

BILL DESCRIPTION

Assembly Concurrent Resolution No. 1 of 2015 dedicates to transportation system costs all of the revenue from both the motor fuels tax (gas tax) and the tax on the gross receipts of the sale of petroleum products (petroleum products tax). It also dedicates all revenues from taxes imposed by subsequent laws of similar effect to the laws imposing those taxes.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services estimates that at current anticipated levels of revenue an additional \$34 million annually would become constitutionally dedicated to transportation system costs, \$15 million in revenue from taxation of the gross receipts from sale of petroleum products and \$19 million in revenue from taxation of motor fuels. In State fiscal year 2016, it is anticipated that the current gas tax will generate \$535 million which is the amount generated by 10.5 cents per gallon on the sale of unleaded gasoline and 13.5 cents on the sale of diesel fuel. The current dedication is 10.5 cents per gallon on the sale of unleaded gasoline and diesel fuel, or about \$516 million. This amendment in effect dedicates the three cents of the existing motor fuels tax on diesel fuel that is not already dedicated. The current constitutional dedication from the tax on the gross receipts of petroleum products is a minimum of \$200 million per year. In State fiscal year 2016, it is anticipated that the current petroleum products tax will generate \$215 million.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Senior Fiscal Analyst*

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

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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

LEGISLATIVE FISCAL ESTIMATE
SENATE CONCURRENT RESOLUTION No. 190
STATE OF NEW JERSEY
216th LEGISLATURE

DATED: JANUARY 14, 2016

SUMMARY

Synopsis: Amends State Constitution to dedicate all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.

Type of Impact: Increased dedication of State revenue.

Agencies Affected: Department of Transportation

Office of Legislative Services Estimate

Fiscal Impact	<u>Fiscal Year 2017 and Thereafter</u>
State Revenue	Increased dedication – See comments below

- The Office of Legislative Services estimates that at current levels of revenue an additional \$34 million annually would become constitutionally dedicated to transportation system costs, \$15 million in revenue from taxation of the gross receipts from sale of petroleum products and \$19 million in revenue from taxation of motor fuels.
- The amendment would dedicate all revenues from taxes imposed by any subsequent laws of similar effect to current laws imposing taxes on gross receipts from sale of petroleum products and on motor fuels, respectively.

BILL DESCRIPTION

Senate Concurrent Resolution No. 190 of 2015 dedicates to transportation system costs all of the revenue from both the motor fuels tax (gas tax) and the tax on the gross receipts of the sale of petroleum products (petroleum products tax). It also dedicates all revenues from taxes imposed by subsequent laws of similar effect to the laws imposing those taxes.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services estimates that at current anticipated levels of revenue an additional \$34 million annually would become constitutionally dedicated to transportation system costs, \$15 million in revenue from taxation of the gross receipts from sale of petroleum products and \$19 million in revenue from taxation of motor fuels. In State fiscal year 2016, it is anticipated that the current gas tax will generate \$535 million which is the amount generated by 10.5 cents per gallon on the sale of unleaded gasoline and 13.5 cents on the sale of diesel fuel. The current dedication is 10.5 cents per gallon on the sale of unleaded gasoline and diesel fuel, or about \$516 million. This amendment in effect dedicates the three cents of the existing motor fuels tax on diesel fuel that is not already dedicated. The current constitutional dedication from the tax on the gross receipts of petroleum products is a minimum of \$200 million per year. In State fiscal year 2016, it is anticipated that the current petroleum products tax will generate \$215 million.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Senior Fiscal Analyst*

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

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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