

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

NEWSPAPER ARTICLES: No

LAW/KR

P.L.2013, CHAPTER 273, *approved January 17, 2014*
Assembly, No. 3804 (*Second Reprint*)

1 AN ACT concerning special Omega Psi Phi Fraternity license plates
2 and supplementing chapter 3 of Title 39 of the Revised Statutes.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 **¹**[1. Upon proper application, the Chief Administrator of the
8 New Jersey Motor Vehicle Commission shall issue Omega Psi Phi
9 Fraternity license plates for any motor vehicle owned or leased and
10 registered in the State. In addition to the registration number and
11 other markings or identification otherwise prescribed by law, the
12 Omega Psi Phi Fraternity license plate shall display appropriate
13 words and an emblem honoring Omega Psi Phi. The chief
14 administrator, in consultation with the National President of Omega
15 Psi Phi, shall choose the design, including an emblem and a color
16 scheme.]¹

17
18 **¹**[2. Application for issuance of an Omega Psi Phi Fraternity
19 license plate shall be made to the chief administrator on forms and
20 in a manner prescribed by the chief administrator. In order to be
21 deemed complete, an application shall be accompanied by a fee of
22 \$50, payable to the commission, which shall be in addition to the
23 fee otherwise prescribed by law for the registration of motor
24 vehicles. The chief administrator shall collect annually, subsequent
25 to the year of issuance of the Omega Psi Phi Fraternity license
26 plate, a \$10 fee for the license plate in addition to the fees otherwise
27 prescribed by law for the registration of a motor vehicle.]¹

28
29 **¹**[3. The chief administrator shall notify eligible motorists of the
30 opportunity to obtain Omega Psi Phi Fraternity license plates by
31 including a notice on the commission's website and by posting
32 appropriate posters or signs in all commission facilities and offices.
33 The notices, posters, and signs shall be designed by the
34 commission.]¹

35
36 **¹**[4. a. The chief administrator annually shall certify to the State

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 May 13, 2013.

²Senate STR committee amendments adopted December 12, 2013.

1 Treasurer the average cost per license plate incurred in the
2 immediately preceding year by the commission in producing,
3 issuing, renewing, and publicizing the availability of the Omega Psi
4 Phi Fraternity license plates. The annual certification of the
5 average cost per license plate shall be approved by the Joint Budget
6 Oversight Committee, or its successor.

7 b. In the event that the average cost per license plate as
8 certified by the chief administrator and approved by the Joint
9 Budget Oversight Committee, or its successor, is greater than the
10 \$50 application fee established in section 2 of this act in two
11 consecutive fiscal years, the chief administrator may discontinue
12 the issuance of the Omega Psi Phi Fraternity license plates.】¹

13

14 ¹1. a. Upon proper application, the Chief Administrator of the
15 New Jersey Motor Vehicle Commission shall issue Omega Psi Phi
16 license plates for any motor vehicle owned or leased and registered
17 in the State. In addition to the registration number and other
18 markings or identification otherwise prescribed by law, the license
19 plate shall display appropriate words or a slogan and an emblem
20 representative of Omega Psi Phi. The chief administrator shall
21 select the design, including an emblem and color scheme, in
22 consultation with the National President of Omega Psi Phi. Omega
23 Psi Phi license plates shall be subject to the provisions of chapter 3
24 of Title 39 of the Revised Statutes, except as hereinafter otherwise
25 specifically provided.

26 b. Application for issuance of Omega Psi Phi license plates
27 shall be made to the chief administrator on forms and in a manner
28 prescribed by the chief administrator. In order to be deemed
29 complete, an application shall be accompanied by a fee of \$50,
30 payable to the commission, which shall be in addition to the fees
31 otherwise prescribed by law for the registration of a motor vehicle.

32 ²The chief administrator shall collect annually, subsequent to the
33 year of issuance of the Omega Psi Phi license plate, a \$10 fee for
34 the license plate in addition to the fees otherwise prescribed by law
35 for the registration of a motor vehicle. The additional fees required
36 by this subsection shall be deposited in the “Omega Psi Phi License
37 Plate Fund” created pursuant to subsection c. of this section.²

38 c. ²There is created in the Department of the Treasury a special
39 non-lapsing fund to be known as the “Omega Psi Phi License Plate
40 Fund.” There shall be deposited in the fund the amount collected
41 from all license plate fees collected pursuant to subsection b. of this
42 section, less the amounts necessary to reimburse the commission for
43 administrative costs pursuant to subsection d. of this section.
44 Monies deposited in the fund shall be appropriated annually to the
45 Omega Psi Phi Fraternity, Inc. and be used to support the
46 organization’s mission and programs which include scholarships,
47 social action programs, college endowment funding, and health
48 initiatives. Monies deposited in the fund shall be held in interest-

1 bearing accounts in public depositories as defined pursuant to
2 section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or
3 reinvested in such securities as are approved by the State Treasurer.
4 Interest or other income earned on monies deposited in the fund,
5 and any monies which may be appropriated or otherwise become
6 available for the purposes of the fund, shall be credited to and
7 deposited in the fund for use as set forth in P.L. , c. (C.)
8 (pending before the Legislature as this bill).

9 d. Prior to the deposit of the additional fees collected pursuant
10 to subsection b. of this section into the fund, amounts thereof as are
11 necessary shall be used to reimburse the commission for all costs
12 reasonable and actually incurred, as stipulated by the chief
13 administrator, for:

14 (1) producing, issuing, renewing, and publicizing the
15 availability of the Omega Psi Phi license plates; and

16 (2) any computer programming changes that may be initially
17 necessary to implement the Omega Psi Phi license plate program
18 established by P.L. , c. (C.) (pending before the Legislature
19 as this bill), in an amount not to exceed \$150,000.²

20 The chief administrator shall annually certify to the State
21 Treasurer the average cost per license plate incurred in the
22 immediately preceding year by the commission in producing,
23 issuing, renewing, and publicizing the availability of the Omega Psi
24 Phi license plates. The annual certification of the average cost per
25 license plate shall be approved by the Joint Budget Oversight
26 Committee, or its successor.

27 In the event that the average cost per license plate as certified by
28 the chief administrator and approved by the Joint Budget Oversight
29 Committee, or its successor, is greater than the \$50 application fee
30 established in subsection b. of this section in two consecutive fiscal
31 years, the chief administrator may discontinue the issuance of
32 Omega Psi Phi license plates.

33 ²[d.] e.² The chief administrator shall notify eligible motorists
34 of the opportunity to obtain Omega Psi Phi license plates by
35 publicizing the availability of the license plates on the website of
36 the commission. Omega Psi Phi, and any other individual or entity
37 designated by the National President of Omega Psi Phi, may
38 publicize the availability of Omega Psi Phi license plates in any
39 manner the organization deems appropriate.

40 ²[e.] f.² The chief administrator and the National President of
41 Omega Psi Phi shall develop and enter into a memorandum of
42 agreement setting forth the procedures to be followed in carrying
43 out their respective responsibilities under P.L. , c. (C.)
44 (pending before the Legislature as this bill).

45 ²[f.] g.² Omega Psi Phi shall appoint a representative who
46 shall act as a liaison between the agency and the commission. The
47 liaison shall represent Omega Psi Phi in any and all
48 communications with the commission regarding the Omega Psi Phi

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

3
4 ¹2. a. No State or other public funds shall be used by the
5 commission for the initial cost of:

6 (1) producing, issuing, and publicizing the availability of
7 Omega Psi Phi license plates; or

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

12 b. Omega Psi Phi, or other individual or entity designated by
13 Omega Psi Phi, shall contribute monies in an amount to be
14 determined by the chief administrator, not to exceed a total of
15 \$25,000, to be used to offset the initial costs incurred by the
16 commission for producing, issuing, and publicizing the availability
17 of Omega Psi Phi license plates, and any computer programming
18 which may be necessary to implement the program. To further help
19 offset the initial costs incurred by the commission for the Omega
20 Psi Phi license plates authorized by P.L. , c. (C.) (pending
21 before the Legislature as this bill), other concerned organizations
22 and individual donors may contribute monies to Omega Psi Phi, or
23 an individual or entity designated by Omega Psi Phi, for this
24 purpose. ²Any amount remaining after the payment of the initial
25 costs shall be deposited in the “Omega Psi Phi License Plate Fund”
26 established pursuant to subsection c. of section 1 of P.L. ,
27 c. (C.) (pending before the Legislature as this bill).²

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

32 (1) Omega Psi Phi or the individual or entity designated by
33 Omega Psi Phi, has provided the commission with the money
34 necessary, as determined by the chief administrator pursuant to
35 subsection b. of this section, to offset the initial costs incurred by
36 the commission in establishing the Omega Psi Phi license plate
37 program; and

38 (2) The liaison appointed by Omega Psi Phi pursuant to
39 subsection f. of section 1 of P.L. , c. (C.) (pending before
40 the Legislature as this bill) has provided the commission with not
41 less than 500 completed applications for Omega Psi Phi license
42 plates. These applications shall constitute the initial order for
43 Omega Psi Phi license plates and shall be accompanied by a fee
44 representing the total cost of the initial order. Such fee shall be
45 determined by multiplying the number of sets of plates being
46 ordered by the applicable initial fee for each set of plates as set

1 forth in subsection b. of section 1 of P.L. , c. (C.) (pending
2 before the Legislature as this bill).¹

3

4 ¹~~5.~~ 3.¹ This act shall take effect ¹~~on the first day of the sixth~~
5 ~~month after enactment~~ immediately, but shall remain inoperable
6 until the first day of the seventh month following the date on which
7 the conditions set forth in paragraphs (1) and (2) of subsection c. of
8 section 2 of P.L. , c. (C.) (pending before the Legislature
9 as this bill) have been satisfied. The chief administrator may take
10 such anticipatory acts in advance of that date as may be necessary
11 for the timely implementation of P.L. , c. (C.) (pending
12 before the Legislature as this bill). P.L. , c. (C.) (pending
13 before the Legislature as this bill)) shall expire if the conditions set
14 forth in paragraphs (1) and (2) of subsection c. of section 2 of
15 P.L. , c. (C.) (pending before the Legislature as this bill)
16 are not satisfied by the last day of the 12th month following
17 enactment¹.

18

19

20

21

22

Authorizes creation of special Omega Psi Phi license plate.

ASSEMBLY, No. 3804

STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED FEBRUARY 11, 2013

Sponsored by:

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblyman CHARLES MAINOR

District 31 (Hudson)

Assemblyman JOHN F. AMODEO

District 2 (Atlantic)

Co-Sponsored by:

Assemblyman Rumana

SYNOPSIS

Authorizes creation of special Omega Psi Phi license plate.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/14/2013)

1 AN ACT concerning special Omega Psi Phi Fraternity license plates
2 and supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

7 1. Upon proper application, the Chief Administrator of the
8 New Jersey Motor Vehicle Commission shall issue Omega Psi Phi
9 Fraternity license plates for any motor vehicle owned or leased and
10 registered in the State. In addition to the registration number and
11 other markings or identification otherwise prescribed by law, the
12 Omega Psi Phi Fraternity license plate shall display appropriate
13 words and an emblem honoring Omega Psi Phi. The chief
14 administrator, in consultation with the National President of Omega
15 Psi Phi, shall choose the design, including an emblem and a color
16 scheme.

17

18 2. Application for issuance of an Omega Psi Phi Fraternity
19 license plate shall be made to the chief administrator on forms and
20 in a manner prescribed by the chief administrator. In order to be
21 deemed complete, an application shall be accompanied by a fee of
22 \$50, payable to the commission, which shall be in addition to the
23 fee otherwise prescribed by law for the registration of motor
24 vehicles. The chief administrator shall collect annually, subsequent
25 to the year of issuance of the Omega Psi Phi Fraternity license
26 plate, a \$10 fee for the license plate in addition to the fees otherwise
27 prescribed by law for the registration of a motor vehicle.

28

29 3. The chief administrator shall notify eligible motorists of the
30 opportunity to obtain Omega Psi Phi Fraternity license plates by
31 including a notice on the commission's website and by posting
32 appropriate posters or signs in all commission facilities and offices.
33 The notices, posters, and signs shall be designed by the
34 commission.

35

36 4. a. The chief administrator annually shall certify to the State
37 Treasurer the average cost per license plate incurred in the
38 immediately preceding year by the commission in producing,
39 issuing, renewing, and publicizing the availability of the Omega Psi
40 Phi Fraternity license plates. The annual certification of the
41 average cost per license plate shall be approved by the Joint Budget
42 Oversight Committee, or its successor.

43 b. In the event that the average cost per license plate as
44 certified by the chief administrator and approved by the Joint
45 Budget Oversight Committee, or its successor, is greater than the
46 \$50 application fee established in section 2 of this act in two

1 consecutive fiscal years, the chief administrator may discontinue
2 the issuance of the Omega Psi Phi Fraternity license plates.

3

4 5. This act shall take effect on the first day of the sixth month
5 after enactment.

6

7

8

STATEMENT

9

10 This bill authorizes the creation of a special Omega Psi Phi
11 Fraternity license plate. The design of the license plate would be
12 chosen by the chief administrator of the New Jersey Motor Vehicle
13 Commission in consultation with the National President of the
14 Omega Psi Phi Fraternity. There is a \$50 initial fee in addition to
15 the registration fees required by law, with a \$10 annual fee in
16 addition to the renewal fees required by law.

17 Omega Psi Phi Fraternity was founded on the campus of Howard
18 University in Washington, D.C. on November 17, 1911. With its
19 rich 100 year history, Omega Psi Phi stands as one of the oldest
20 Greek-letter organizations established by African-American men in
21 America.

ASSEMBLY TRANSPORTATION, PUBLIC WORKS AND
INDEPENDENT AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3804

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 13, 2013

The Assembly Transportation, Public Works and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 3804.

As amended and reported, this bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 for these plates. The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates, or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega

Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

COMMITTEE AMENDMENTS:

The committee amended the bill to prohibit any State or other public funds from being used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates, or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The amendments also: (1) require an additional payment to be remitted by Omega Psi Phi to the commission of up to \$25,000 before the launch of the program; (2) require that 500 completed applications be collected by Omega Psi Phi and submitted to the commission before the launch of the program; (3) allow Omega Psi Phi to designate individuals or entities to assist Omega Psi Phi in raising funds, publicizing plates, and collecting applications; and (4) allows the bill's provisions to expire if the funds to offset commission costs are not received within 12 months.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3804

STATE OF NEW JERSEY 215th LEGISLATURE

DATED: MAY 29, 2013

SUMMARY

Synopsis: Authorizes creation of special Omega Psi Phi license plate.

Type of Impact: No fiscal impact

Agencies Affected: New Jersey Motor Vehicle Commission (MVC)

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	No Impact - See comments below		

- Omega Psi Phi is required to provide up to \$25,000 and 500 applicants before plates begin production to ensure that the Motor Vehicle Commission (MVC) experiences no costs in the design and initial production of plates. The MVC is also permitted to discontinue the program if the average cost of a plate exceeds the \$50 per plate application fee once the program has begun, guaranteeing that the State will experience no costs.
- The Chief Administrator of the MVC is permitted to set the initial fee at any amount up to \$25,000, so the initial fee should equal the initial cost resulting in no initial fiscal impact.
- While the MVC is able to terminate the program if costs exceed \$50 per plate, the MVC could realize profits in future years if the MVC experiences costs below \$50 per plate.

BILL DESCRIPTION

Assembly Bill No. 3804 (1R) of 2013 authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the chief administrator of the MVC in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 for these plates. The chief administrator is required to annually

certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the MVC for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed \$25,000, to be used to offset the initial costs incurred by the MVC for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the MVC from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates, or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the MVC with the money necessary to offset the initial costs incurred by the MVC in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the MVC with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the MVC's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the MVC are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services finds that Assembly Bill No. 3804 (1R) of 2013 will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Omega Psi Phi is required to provide up to \$25,000 in funds as determined by the chief administrator and to pre-register 500 applicants for the plates. This requirement ensures that the MVC will be able to recover its initial costs in producing the plates, and if enough funds are not provided, the MVC will not be required to produce the plates.

If these requirements are met and production of the plates begins, the MVC may still discontinue the program if the cost of plate production exceeds \$50 per plate, which is the initial fee that the MVC collects for each plate. This ensures that the MVC will not experience any net costs in the administration of this license plate program, and if the MVC is able to produce the plates at a cost below \$50 per plate, it is possible that the MVC could realize positive net revenues.

The overall impact of this legislation is likely cost-neutral to the MVC, realizing no net costs or revenues. The chief administrator is likely to set the initial fee at an amount equal to the expected initial costs resulting in no initial fiscal impact. In later years, the only way in which the MVC may realize net revenues is in the event that the MVC costs are less than \$50 per plate. If the costs exceed \$50 per plate the chief administrator may cancel the program. It is estimated that the initial production of 500 plates will consume much of the early demand for Omega Psi Phi plates, so any potential revenue to the MVC based on per plate sales would occur beyond year three of the program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Associate Fiscal Analyst*

*Approved: David J. Rosen
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.).

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3804

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2013

The Senate Transportation Committee reports favorably and with committee amendments Assembly Bill No. 3804(1R).

As amended and reported, this bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 and an annual renewal fee of \$10 for these plates. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Omega Psi Phi License Plate Fund." The proceeds of the fund are to be annually appropriated to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of

Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates, or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

The committee amended the bill to establish a \$10 annual renewal fee for Omega Psi Phi license plates. The amendments also establish an "Omega Psi Phi License Plate Fund" and provide that the application and renewal fees, less the amounts necessary to reimburse the commission for administrative costs and computer programming changes, are to be deposited into the fund. Monies in the fund are to be appropriated annually to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs, which include scholarships, social action programs, college endowment funding, and health initiatives.

As amended and reported by the committee, Assembly Bill No. 3804 (1R) is identical to Senate Bill No. 2864, which was also amended and reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[Second Reprint]
ASSEMBLY, No. 3804

STATE OF NEW JERSEY

DATED: JANUARY 6, 2014

The Senate Budget and Appropriations committee reports favorably Assembly Bill No. 3804 (2R).

This bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 and an annual renewal fee of \$10 for these plates. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Omega Psi Phi License Plate Fund." The proceeds of the fund are to be annually appropriated to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates,

or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

As considered by the committee, Assembly Bill No. 3804 (2R) is identical to Senate Bill No. 2864 (1R), as also considered by the committee.

FISCAL IMPACT:

The Office of Legislative Services finds this bill will have no net fiscal impact on the State of New Jersey. The bill contains provisions preventing the use of State or public funds for the cost of producing, issuing, or publicizing the plates. Omega Psi Phi is required to provide \$25,000 to the commission, and at least 500 pre-orders for the plates to ensure that the commission has sufficient monies to fund the program, before the program becomes operative. If at any point during the program, the cost of plates exceeds the \$50 initial application fee for two consecutive fiscal years, the program may be discontinued by the Chief Administrator. Once the program is in effect, any funds received by the MVC beyond its costs, including the \$10 annual renewal fee, are to be deposited into a special fund created for Omega Psi Phi, preventing the MVC from realizing any profit from the program.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 3804

STATE OF NEW JERSEY 215th LEGISLATURE

DATED: JANUARY 16, 2014

SUMMARY

Synopsis: Authorizes creation of special Omega Psi Phi license plate.

Type of Impact: No fiscal impact

Agencies Affected: New Jersey Motor Vehicle Commission (MVC)

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	No Impact – See comments below		

- Omega Psi Phi is required to provide up to \$25,000 and 500 applicants before license plates begin production to ensure that the Motor Vehicle Commission (MVC) experiences no costs in the design and initial production of license plates. The MVC is also permitted to discontinue the license plate program (program) if the average cost of a license plate exceeds the \$50 per plate application fee once the program has begun, guaranteeing that the State will experience no costs.
- The Chief Administrator of the MVC is permitted to set the initial program fee at any amount up to \$25,000, so the initial program fee should equal the initial program cost, resulting in no initial fiscal impact.
- There is a special Omega Psi Phi license plate fund established to receive any monies, including the \$10 annual renewal fee, in excess of MVC costs. This fund will ensure that any monies realized from the program, after payment of initial costs, will accrue to Omega Psi Phi rather than the MVC.

BILL DESCRIPTION

Assembly Bill No. 3804 (2R) of 2013 authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the chief administrator of the MVC in consultation with the National President of Omega Psi Phi.

In addition to all other 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 these license plates. The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the program.

The bill establishes a special fund to be known as the "Omega Psi Phi License Plate Fund" which is to receive any application or renewal fees for the license plates after the MVC has been reimbursed for its costs in administering the program.

The bill provides that no State or other public funds may be used by the MVC for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed \$25,000, to be used to offset the initial costs incurred by the MVC for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the MVC from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates, or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the MVC with the money necessary to offset the initial costs incurred by the MVC in establishing the program; and (2) Omega Psi Phi, or its designee, has provided the MVC with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the MVC's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the MVC are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services finds that Assembly Bill No. 3804 (2R) of 2013 will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Omega Psi Phi is required to provide up to \$25,000 in funds as determined by the chief administrator and to pre-register 500 applicants for the plates. This requirement

ensures that the MVC will be able to recover its initial costs in producing the plates, and if enough funds are not provided, the program will remain inoperative.

If these requirements are met and production of the plates begins, the MVC may still discontinue the program if the cost of plate production exceeds \$50 per plate, which is the initial fee that the MVC collects for each plate. This ensures that the MVC will not experience any net costs in the administration of the program.

In the event that the program generates positive revenues, there is a special fund established for Omega Psi Phi to receive any revenues generated by the program, after the MVC has been reimbursed for its costs. The program receives a \$50 initial application fee for each plate as well as a \$10 annual renewal fee.

The overall impact of this legislation is likely to be cost-neutral to the MVC, realizing no net costs or revenues. The chief administrator is likely to set the initial fee at an amount equal to the expected initial costs resulting in no initial fiscal impact. In later years, the renewal fee may generate additional revenue for the program, which is to be deposited into a fund for the benefit of Omega Psi Phi. If the costs exceed \$50 per plate and the MVC is at risk of facing losses on the program, the chief administrator may cancel the program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Associate Fiscal Analyst*

*Approved: David J. Rosen
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.).

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[Second Reprint]
ASSEMBLY, No. 3804

STATE OF NEW JERSEY

DATED: JANUARY 6, 2014

The Senate Budget and Appropriations committee reports favorably Assembly Bill No. 3804 (2R).

This bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 and an annual renewal fee of \$10 for these plates. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Omega Psi Phi License Plate Fund." The proceeds of the fund are to be annually appropriated to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates,

or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

As considered by the committee, Assembly Bill No. 3804 (2R) is identical to Senate Bill No. 2864 (1R), as also considered by the committee.

FISCAL IMPACT:

The Office of Legislative Services finds this bill will have no net fiscal impact on the State of New Jersey. The bill contains provisions preventing the use of State or public funds for the cost of producing, issuing, or publicizing the plates. Omega Psi Phi is required to provide \$25,000 to the commission, and at least 500 pre-orders for the plates to ensure that the commission has sufficient monies to fund the program, before the program becomes operative. If at any point during the program, the cost of plates exceeds the \$50 initial application fee for two consecutive fiscal years, the program may be discontinued by the Chief Administrator. Once the program is in effect, any funds received by the MVC beyond its costs, including the \$10 annual renewal fee, are to be deposited into a special fund created for Omega Psi Phi, preventing the MVC from realizing any profit from the program.

SENATE, No. 2864

STATE OF NEW JERSEY
215th LEGISLATURE

INTRODUCED JUNE 17, 2013

Sponsored by:
Senator RONALD L. RICE
District 28 (Essex)

SYNOPSIS

Authorizes creation of special Omega Psi Phi license plate.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning special Omega Psi Phi Fraternity license plates
2 and supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

7 1. a. Upon proper application, the Chief Administrator of the
8 New Jersey Motor Vehicle Commission shall issue Omega Psi Phi
9 license plates for any motor vehicle owned or leased and registered
10 in the State. In addition to the registration number and other
11 markings or identification otherwise prescribed by law, the license
12 plate shall display appropriate words or a slogan and an emblem
13 representative of Omega Psi Phi. The chief administrator shall
14 select the design, including an emblem and color scheme, in
15 consultation with the National President of Omega Psi Phi. Omega
16 Psi Phi license plates shall be subject to the provisions of chapter 3
17 of Title 39 of the Revised Statutes, except as hereinafter otherwise
18 specifically provided.

19 b. Application for issuance of Omega Psi Phi license plates
20 shall be made to the chief administrator on forms and in a manner
21 prescribed by the chief administrator. In order to be deemed
22 complete, an application shall be accompanied by a fee of \$50,
23 payable to the commission, which shall be in addition to the fees
24 otherwise prescribed by law for the registration of a motor vehicle.

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

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

38 d. The chief administrator shall notify eligible motorists of the
39 opportunity to obtain Omega Psi Phi license plates by publicizing
40 the availability of the license plates on the website of the
41 commission. Omega Psi Phi, and any other individual or entity
42 designated by the National President of Omega Psi Phi, may
43 publicize the availability of Omega Psi Phi license plates in any
44 manner the organization deems appropriate.

45 e. The chief administrator and the National President of Omega
46 Psi Phi shall develop and enter into a memorandum of agreement
47 setting forth the procedures to be followed in carrying out their

1 respective responsibilities under P.L. , c. (C.) (pending
2 before the Legislature as this bill).

3 f. Omega Psi Phi shall appoint a representative who shall act
4 as a liaison between the agency and the commission. The liaison
5 shall represent Omega Psi Phi in any and all communications with
6 the commission regarding the Omega Psi Phi license plates
7 established by P.L. , c. (C.) (pending before the
8 Legislature as this bill).

9
10 2. a. No State or other public funds shall be used by the
11 commission for the initial cost of:

12 (1) producing, issuing, and publicizing the availability of
13 Omega Psi Phi license plates; or

14 (2) any computer programming changes which may be
15 necessary to implement the Omega Psi Phi license plate program
16 established by P.L. , c. (C.) (pending before the Legislature
17 as this bill).

18 b. Omega Psi Phi, or other individual or entity designated by
19 Omega Psi Phi, shall contribute monies in an amount to be
20 determined by the chief administrator, not to exceed a total of
21 \$25,000, to be used to offset the initial costs incurred by the
22 commission for producing, issuing, and publicizing the availability
23 of Omega Psi Phi license plates, and any computer programming
24 which may be necessary to implement the program. To further help
25 offset the initial costs incurred by the commission for the Omega
26 Psi Phi license plates authorized by P.L. , c. (C.) (pending
27 before the Legislature as this bill), other concerned organizations
28 and individual donors may contribute monies to Omega Psi Phi, or
29 an individual or entity designated by Omega Psi Phi, for this
30 purpose.

31 c. The commission shall not begin designing, producing,
32 issuing, or publicizing the availability of Omega Psi Phi license
33 plates, or making any necessary programming changes, until the
34 following requirements have been met:

35 (1) Omega Psi Phi or the individual or entity designated by
36 Omega Psi Phi, has provided the commission with the money
37 necessary, as determined by the chief administrator pursuant to
38 subsection b. of this section, to offset the initial costs incurred by
39 the commission in establishing the Omega Psi Phi license plate
40 program; and

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

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

4
5 3. This act shall take effect immediately, but shall remain
6 inoperable 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 P.L. , c. (C.) (pending before
9 the Legislature as this bill) have been satisfied. The chief
10 administrator may take such anticipatory acts in advance of that
11 date as may be necessary for the timely implementation of P.L. ,
12 c. (C.) (pending before the Legislature as this bill). P.L. ,
13 c. (C.) (pending before the Legislature as this bill)) shall
14 expire if the conditions set forth in paragraphs (1) and (2) of
15 subsection c. of section 2 of P.L. , c. (C.) (pending
16 before the Legislature as this bill) are not satisfied by the last day of
17 the 12th month following enactment.

18

19

20 STATEMENT

21

22 This bill authorizes a special Omega Psi Phi license plate. The
23 design of the license plate is to be chosen by the Chief
24 Administrator of the New Jersey Motor Vehicle Commission
25 (commission) in consultation with the National President of Omega
26 Psi Phi.

27 In addition to all other fees otherwise required by law for the
28 registration of a motor vehicle, there is an application fee of \$50 for
29 these plates. The chief administrator is required to annually certify
30 the average cost per license plate in producing, issuing, and
31 publicizing the Omega Psi Phi license plates. If the average cost
32 exceeds \$50 for two consecutive fiscal years, the chief
33 administrator may discontinue the license plate program.

34 The bill provides that no State or other public funds may be used
35 by the commission for the initial cost of producing, issuing, and
36 publicizing the availability of Omega Psi Phi license plates or any
37 computer programming changes which may be necessary to
38 implement the Omega Psi Phi license plate program.

39 The bill also requires that Omega Psi Phi, or other individual or
40 entity designated by Omega Psi Phi, contribute monies in an
41 amount to be determined by the chief administrator, not to exceed a
42 total of \$25,000, to be used to offset the initial costs incurred by the
43 commission for producing, issuing, and publicizing the availability
44 of Omega Psi Phi license plates, and any computer programming
45 which may be necessary to implement the program.

46 The bill prohibits the commission from designing, producing,
47 issuing, or publicizing the availability of Omega Psi Phi license
48 plates, or making any necessary computer programming changes,

S2864 RICE

1 until: (1) Omega Psi Phi, or its designee, has provided the
2 commission with the money necessary to offset the initial costs
3 incurred by the commission in establishing the Omega Psi Phi
4 license plate program; and (2) Omega Psi Phi, or its designee, has
5 provided the commission with a minimum of 500 completed
6 applications for Omega Psi Phi license plates.

7 The chief administrator is responsible for publicizing the
8 availability of the license plates on the commission's website.
9 Omega Psi Phi, or any individual or entity designated by Omega Psi
10 Phi, may also publicize the availability of Omega Psi Phi license
11 plates in any manner Omega Psi Phi deems appropriate.

12 The provisions of the bill remain inoperative until the
13 appropriate applications and fees required to offset the initial costs
14 incurred by the commission are provided by Omega Psi Phi, and the
15 bill expires after 12 months if sufficient applications and fees are
16 not received.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 2864

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2013

The Senate Transportation Committee reports favorably and with committee amendments Senate Bill No. 2864.

As amended and reported, this bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 and an annual renewal fee of \$10 for these plates. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Omega Psi Phi License Plate Fund." The proceeds of the fund are to be annually appropriated to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates, or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

The committee amended the bill to establish a \$10 annual renewal fee for Omega Psi Phi license plates. The amendments also establish an "Omega Psi Phi License Plate Fund" and provide that the application and renewal fees, less the amounts necessary to reimburse the commission for administrative costs and computer programming changes, are to be deposited into the fund. Monies in the fund are to be appropriated annually to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs, which include scholarships, social action programs, college endowment funding, and health initiatives.

As amended and reported by the committee, Senate Bill No. 2864 is identical to Assembly Bill No. 3804 (1R), which was also amended and reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2864

STATE OF NEW JERSEY

DATED: JANUARY 6, 2014

The Senate Budget and Appropriations committee reports favorably Senate Bill No. 2864 (1R).

This bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 and an annual renewal fee of \$10 for these plates. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Omega Psi Phi License Plate Fund." The proceeds of the fund are to be annually appropriated to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates,

or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

Senate Bill No. 2864 is identical to Assembly Bill No. 3804 (2R), as also considered by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services finds this bill will have no State fiscal impact. The bill contains provisions preventing the use of State or public funds for the cost of producing, issuing, or publicizing the license plates. Omega Psi Phi is required to provide \$25,000 to the commission, and at least 500 pre-orders for the plates to ensure that the commission has sufficient monies to fund the program, before the program becomes operative. If at any point during the program, the cost of plates exceeds the \$50 initial application fee for two consecutive fiscal years, the program may be discontinued by the Chief Administrator. Once the program is in effect, any funds received by the MVC beyond its costs, including the \$10 annual renewal fee, are to be deposited into a special fund created for Omega Psi Phi, preventing the MVC from realizing any profit from the program.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2864

STATE OF NEW JERSEY

DATED: JANUARY 6, 2014

The Senate Budget and Appropriations committee reports favorably Senate Bill No. 2864 (1R).

This bill authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission (commission) in consultation with the National President of Omega Psi Phi.

In addition to all other fees otherwise required by law for the registration of a motor vehicle, there is an application of \$50 and an annual renewal fee of \$10 for these plates. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Omega Psi Phi License Plate Fund." The proceeds of the fund are to be annually appropriated to the Omega Psi Phi Fraternity, Inc. and be used to support the organization's mission and programs which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program.

The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the Omega Psi Phi license plate program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates,

or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Omega Psi Phi license plate program; and (2) Omega Psi Phi, or its designee, has provided the commission with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

Senate Bill No. 2864 is identical to Assembly Bill No. 3804 (2R), as also considered by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services finds this bill will have no State fiscal impact. The bill contains provisions preventing the use of State or public funds for the cost of producing, issuing, or publicizing the license plates. Omega Psi Phi is required to provide \$25,000 to the commission, and at least 500 pre-orders for the plates to ensure that the commission has sufficient monies to fund the program, before the program becomes operative. If at any point during the program, the cost of plates exceeds the \$50 initial application fee for two consecutive fiscal years, the program may be discontinued by the Chief Administrator. Once the program is in effect, any funds received by the MVC beyond its costs, including the \$10 annual renewal fee, are to be deposited into a special fund created for Omega Psi Phi, preventing the MVC from realizing any profit from the program.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2864 STATE OF NEW JERSEY 215th LEGISLATURE

DATED: JANUARY 10, 2014

SUMMARY

Synopsis: Authorizes creation of special Omega Psi Phi license plate.

Type of Impact: No fiscal impact

Agencies Affected: New Jersey Motor Vehicle Commission (MVC)

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	No Impact – See comments below		

- Omega Psi Phi is required to provide up to \$25,000 and 500 applicants before license plates begin production to ensure that the MVC experiences no costs in the design and initial production of license plates. The MVC is also permitted to discontinue the license plate program (program) if the average cost of a license plate exceeds the \$50 per plate application fee once the program has begun, guaranteeing that the State will experience no costs.
- The Chief Administrator of the MVC is permitted to set the initial program fee at any amount up to \$25,000, so the initial program fee should equal the initial program cost, resulting in no initial fiscal impact.
- There is a special Omega Psi Phi license plate fund established to receive any monies, including the \$10 annual renewal fee, in excess of MVC costs. This fund will ensure that any monies realized from the program, after payment of initial costs, will accrue to Omega Psi Phi rather than the MVC.

BILL DESCRIPTION

Senate Bill No. 2864 (1R) of 2013 authorizes a special Omega Psi Phi license plate. The design of the license plate is to be chosen by the chief administrator of the MVC in consultation with the National President of Omega Psi Phi.

In addition to all other 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 these license plates. The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Omega Psi Phi license plates. If the average cost exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the program.

The bill establishes a special fund to be known as the "Omega Psi Phi License Plate Fund" which is to receive any application or renewal fees for the license plates after the MVC has been reimbursed for its costs in administering the program.

The bill provides that no State or other public funds may be used by the MVC for the initial cost of producing, issuing, and publicizing the availability of Omega Psi Phi license plates or any computer programming changes which may be necessary to implement the program.

The bill also requires that Omega Psi Phi, or other individual or entity designated by Omega Psi Phi, contribute monies in an amount to be determined by the chief administrator, not to exceed \$25,000, to be used to offset the initial costs incurred by the MVC for producing, issuing, and publicizing the availability of Omega Psi Phi license plates, and any computer programming which may be necessary to implement the program.

The bill prohibits the MVC from designing, producing, issuing, or publicizing the availability of Omega Psi Phi license plates, or making any necessary programming changes, until: (1) Omega Psi Phi, or its designee, has provided the MVC with the money necessary to offset the initial costs incurred by the MVC in establishing the program; and (2) Omega Psi Phi, or its designee, has provided the MVC with a minimum of 500 completed applications for Omega Psi Phi license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the MVC's website. Omega Psi Phi, or any individual or entity designated by Omega Psi Phi, may also publicize the availability of Omega Psi Phi license plates in any manner Omega Psi Phi deems appropriate.

The provisions of the bill remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the MVC are provided by Omega Psi Phi, and the bill expires after 12 months if sufficient applications and fees are not received.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services finds that Senate Bill No. 2864 (1R) of 2013 will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Omega Psi Phi is required to provide up to \$25,000 in funds as determined by the chief administrator and to pre-register 500 applicants for the plates. This requirement ensures

that the MVC will be able to recover its initial costs in producing the plates, and if enough funds are not provided, the program will remain inoperative.

If these requirements are met and production of the plates begins, the MVC may still discontinue the program if the cost of plate production exceeds \$50 per plate, which is the initial fee that the MVC collects for each plate. This ensures that the MVC will not experience any net costs in the administration of the program.

In the event that the program generates positive revenues, there is a special fund established for Omega Psi Phi to receive any revenues generated by the program, after the MVC has been reimbursed for its costs. The program receives a \$50 initial application fee for each plate as well as a \$10 annual renewal fee.

The overall impact of this legislation is likely to be cost-neutral to the MVC, realizing no net costs or revenues. The chief administrator is likely to set the initial fee at an amount equal to the expected initial costs resulting in no initial fiscal impact. In later years, the renewal fee may generate additional revenue for the program, which is to be deposited into a fund for the benefit of Omega Psi Phi. If the costs exceed \$50 per plate and the MVC is at risk of facing losses on the program, the chief administrator may cancel the program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Associate Fiscal Analyst*

*Approved: David J. Rosen
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.).