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HEARINGS: No

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LAW/RWH

§§1,2 -
C.39:3-27.146 &
39:3-27.147
§3 - Note

P.L.2014, CHAPTER 90, *approved January 9, 2015*
Assembly, No. 1993 (*First Reprint*)

1 AN ACT concerning special Alpha Kappa Alpha license plates and
2 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 Alpha Kappa
9 Alpha 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 Alpha Kappa Alpha license plate shall display appropriate words
13 and an emblem honoring Alpha Kappa Alpha. The chief
14 administrator in consultation with the national president of Alpha
15 Kappa Alpha shall choose the design, including an emblem and a
16 color scheme.**]**¹

17
18 ¹**[**2. Application for issuance of an Alpha Kappa Alpha license
19 plate shall be made to the chief administrator on forms and in a
20 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 New Jersey Motor Vehicle Commission, which
23 shall be in addition to the fee otherwise prescribed by law for the
24 registration of motor vehicles. The chief administrator shall collect
25 annually, subsequent to the year of issuance of the Alpha Kappa
26 Alpha license plate, a \$10 fee for the license plate in addition to the
27 fees otherwise prescribed by law for the registration of a motor
28 vehicle.**]**¹

29
30 ¹**[**3. The chief administrator shall notify eligible motorists of the
31 opportunity to obtain an Alpha Kappa Alpha license plates by
32 including a notice with all motor vehicle registration renewals and
33 by posting appropriate posters or signs in all Motor Vehicle
34 Commission facilities and offices. The notices, posters and signs
35 shall be designed by the commission.**]**¹

36
37 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 15, 2014.

1 Treasurer the average cost per license plate incurred in the
2 immediately preceding year by the Motor Vehicle Commission in
3 producing, issuing, renewing and publicizing the availability of the
4 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates.】¹

13
14 ¹1. a. Upon proper application, the Chief Administrator of the
15 New Jersey Motor Vehicle Commission shall issue Alpha Kappa
16 Alpha license plates for any motor vehicle owned or leased and
17 registered in the State. In addition to the registration number and
18 other markings or identification otherwise prescribed by law, the
19 license plate shall display appropriate words or a slogan and an
20 emblem honoring the Alpha Kappa Alpha sorority. The chief
21 administrator shall select the design, including an emblem and color
22 scheme, in consultation with the North Atlantic Region Alpha
23 Kappa Alpha Chapter. Alpha Kappa Alpha license plates shall be
24 subject to the provisions of chapter 3 of Title 39 of the Revised
25 Statutes, except as hereinafter otherwise specifically provided.

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

39 c. There is created in the Department of the Treasury a special
40 non-lapsing fund to be known as the “Alpha Kappa Alpha License
41 Plate Fund.” There shall be deposited in the fund the amount
42 collected from all license plate fees collected pursuant to subsection
43 b. of this section, less the amounts necessary to reimburse the
44 commission for administrative costs pursuant to subsection d. of
45 this section. Monies deposited in the fund shall be appropriated
46 annually to the Alpha Kappa Alpha Educational Advancement
47 Foundation, Inc. Monies deposited in the fund shall be held in

1 interest-bearing accounts in public depositories as defined pursuant
2 to 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 reasonably and actually incurred, as stipulated by the chief
13 administrator, for:

14 (1) producing, issuing, renewing, and publicizing the
15 availability of the Alpha Kappa Alpha license plates; and

16 (2) any computer programming changes that may be initially
17 necessary to implement the Alpha Kappa Alpha license plate
18 program established by P.L. , c. (C.) (pending before the
19 Legislature as this bill), in an amount not to exceed \$150,000.

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 Alpha
24 Kappa Alpha license plates. The annual certification of the average
25 cost per license plate shall be approved by the Joint Budget
26 Oversight 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 Alpha Kappa Alpha license plates.

33 e. The chief administrator shall notify eligible motorists of the
34 opportunity to obtain Alpha Kappa Alpha license plates by
35 publicizing the availability of the license plates on the website of
36 the commission. The North Atlantic Region Alpha Kappa Alpha
37 Chapter, and any other individual or entity designated by the North
38 Atlantic Region Alpha Kappa Alpha Chapter, may publicize the
39 availability of Alpha Kappa Alpha license plates in any manner the
40 North Atlantic Region Alpha Kappa Alpha Chapter deems
41 appropriate.

42 f. The chief administrator and the Regional Director of the
43 North Atlantic Region Alpha Kappa Alpha Chapter shall develop
44 and enter into an interagency memorandum of agreement setting
45 forth the procedures to be followed in carrying out their respective
46 responsibilities under P.L. , c. (C.) (pending before the
47 Legislature as this bill).

1 g. The North Atlantic Region Alpha Kappa Alpha Chapter shall
2 appoint a representative who shall act as a liaison between the
3 organization and the commission. The liaison shall represent the
4 North Atlantic Region Alpha Kappa Alpha Chapter in any and all
5 communications with the commission regarding the Alpha Kappa
6 Alpha license plates established by P.L. , c. (C.) (pending
7 before the Legislature as this bill).¹

8
9 ^{12.} a. No State or other public funds may be used by the
10 commission for the initial cost of:

11 (1) producing, issuing, and publicizing the availability of Alpha
12 Kappa Alpha license plates; or

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

17 b. The North Atlantic Region Alpha Kappa Alpha Chapter, or
18 an individual or entity designated by the chapter, shall contribute
19 monies in an amount to be determined by the chief administrator,
20 not to exceed a total of \$25,000, to be used to offset the initial costs
21 incurred by the commission for producing, issuing, and publicizing
22 the availability of Alpha Kappa Alpha license plates, and any
23 computer programming which may be necessary to implement the
24 program. To further help offset the initial costs incurred by the
25 commission for the special license plates authorized by P.L. , c.
26 (C.) (pending before the Legislature as this bill), other
27 concerned organizations and individual donors may contribute
28 monies to the North Atlantic Region Alpha Kappa Alpha Chapter,
29 or an individual or entity designated by the chapter, for this
30 purpose. Any amount remaining after the payment of the initial
31 costs shall be deposited in the "Alpha Kappa Alpha License Plate
32 Fund" established pursuant to subsection c. of section 1 of P.L. ,
33 c. (C.) (pending before the Legislature as this bill).

34 c. The commission shall not begin designing, producing,
35 issuing, or publicizing the availability of Alpha Kappa Alpha
36 license plates, or making any necessary programming changes, until
37 the following requirements have been met:

38 (1) The North Atlantic Region Alpha Kappa Alpha Chapter or
39 the individual or entity designated by the chapter, has provided the
40 commission with the money necessary, as determined by the chief
41 administrator pursuant to subsection b. of this section, to offset the
42 initial costs incurred by the commission in establishing the Alpha
43 Kappa Alpha license plate program; and

44 (2) The liaison appointed by the North Atlantic Region Alpha
45 Kappa Alpha Chapter pursuant to subsection g. of section 1 of P.L.,
46 c. (C.) (pending before the Legislature as this bill) has
47 provided the commission with not less than 500 completed

1 applications for Alpha Kappa Alpha license plates. These
2 applications shall constitute the initial order for Alpha Kappa Alpha
3 license plates and shall be accompanied by a fee representing the
4 total cost of the initial order. Such fee shall be determined by
5 multiplying the number of sets of license plates being ordered by
6 the applicable initial fee for each set of license plates as set forth in
7 subsection b. of section 1 of P.L. , c. (C.) (pending before
8 the Legislature as this bill).¹
9

10 ¹[5.] 3.¹ This act shall take effect ¹[on the first day of the sixth
11 month after enactment] immediately, but shall remain inoperable
12 until the first day of the seventh month following the date on which
13 the conditions set forth in paragraphs (1) and (2) of subsection c. of
14 section 2 of P.L. , c. (C.) (pending before the Legislature
15 as this bill) have been satisfied. The chief administrator may take
16 such anticipatory actions in advance of that date as may be
17 necessary for the timely implementation of P.L. , c. (C.)
18 (pending before the Legislature as this bill). P.L. , c. (C.)
19 (pending before the Legislature as this bill) shall expire if the
20 conditions set forth in paragraphs (1) and (2) of subsection c. of
21 section 2 of P.L. , c. (C.) (pending before the
22 Legislature as this bill) are not satisfied by the last day of the 12th
23 month following enactment¹.
24
25
26
27
28

Authorizes special Alpha Kappa Alpha license plate.

ASSEMBLY, No. 1993

STATE OF NEW JERSEY 216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:

Assemblywoman BONNIE WATSON COLEMAN

District 15 (Hunterdon and Mercer)

Assemblywoman CLEOPATRA G. TUCKER

District 28 (Essex)

SYNOPSIS

Authorizes special Alpha Kappa Alpha license plate.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning special Alpha Kappa Alpha license plates and
2 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 Alpha Kappa
9 Alpha 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 Alpha Kappa Alpha license plate shall display appropriate words
13 and an emblem honoring Alpha Kappa Alpha. The chief
14 administrator in consultation with the national president of Alpha
15 Kappa Alpha shall choose the design, including an emblem and a
16 color scheme.

17

18 2. Application for issuance of an Alpha Kappa Alpha license
19 plate shall be made to the chief administrator on forms and in a
20 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 New Jersey Motor Vehicle Commission, which
23 shall be in addition to the fee otherwise prescribed by law for the
24 registration of motor vehicles. The chief administrator shall collect
25 annually, subsequent to the year of issuance of the Alpha Kappa
26 Alpha license plate, a \$10 fee for the license plate in addition to the
27 fees otherwise prescribed by law for the registration of a motor
28 vehicle.

29

30 3. The chief administrator shall notify eligible motorists of the
31 opportunity to obtain an Alpha Kappa Alpha license plates by
32 including a notice with all motor vehicle registration renewals and
33 by posting appropriate posters or signs in all Motor Vehicle
34 Commission facilities and offices. The notices, posters and signs
35 shall be designed by the commission.

36

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

44

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

A1993 WATSON COLEMAN, TUCKER

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1 consecutive fiscal years, the chief administrator may discontinue
2 the issuance of the Alpha Kappa Alpha license plates.

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

6

7

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STATEMENT

9

10 This bill authorizes an Alpha Kappa Alpha license plate. The
11 design of the license plate is to be chosen by the Chief
12 Administrator of the New Jersey Motor Vehicle Commission in
13 consultation with the national president of Alpha Kappa Alpha.

14 The bill requires a \$50 initial fee in addition to the registration
15 fees required by law and a \$10 annual fee.

ASSEMBLY TRANSPORTATION AND INDEPENDENT
AUTHORITIES COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1993

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 15, 2014

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 1993.

As amended and reported, this bill authorizes an Alpha Kappa Alpha license plate. The design of the license plate would be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

In addition to all fees otherwise required by law for the registration of a motor vehicle there is an application fee of \$50 and an annual renewal fee of \$10 for these special 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 "Alpha Kappa Alpha License Plate Fund." The proceeds of the fund are to be annually appropriated to the Alpha Kappa Alpha Educational Advancement Foundation, Inc.

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

As amended, 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 Alpha Kappa Alpha license plates or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The bill also requires that the North Atlantic Region Alpha Kappa Alpha Chapter or other individual or entity designated by the chapter, 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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates, or making any necessary programming changes, until: (1) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Alpha Kappa Alpha license plate program; and (2) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with a minimum of 500 completed applications for Alpha Kappa Alpha license plates, upon the availability for purchase of those plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. The North Atlantic Region Alpha Kappa Alpha Chapter or any individual or entity designated by the chapter, may also publicize the availability of Alpha Kappa Alpha license plates in any manner the board 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 the North Atlantic Region Alpha Kappa Alpha Chapter, and the bill expires after 12 months if sufficient applications and fees to offset the initial costs are not received.

This bill was pre-filed for introduction in the 2014-2015 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amended the bill to clearly establish the Alpha Kappa Alpha license plates as dedicated cause plates rather than specialty plates and 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 Alpha Kappa Alpha license plates, or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The changes made to effectuate this purpose include additional fees to be remitted to the commission, the requirement that 500 completed applications be collected by the board before the launch of the program, the establishment of a fund for the Alpha Kappa Alpha license plate application and renewal fees in excess of commission costs, and the inclusion of language that 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. 1993

STATE OF NEW JERSEY 216th LEGISLATURE

DATED: JUNE 24, 2014

SUMMARY

Synopsis: Authorizes special Alpha Kappa Alpha 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		

- Alpha Kappa Alpha is required to provide to MVC up to \$25,000 and 500 applicants before plates begin production to ensure that the 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. Therefore, the initial fee should equal the initial cost to MVC, 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. 1993 (1R) of 2014 authorizes a special Alpha Kappa Alpha license plate. The design of the license plate is to be chosen by the chief administrator of the MVC in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The bill also requires that Alpha Kappa Alpha, or other individual or entity designated by Alpha Kappa Alpha, 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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates, or making any necessary programming changes, until: (1) Alpha Kappa Alpha, or its designee, has provided the MVC with the money necessary to offset the initial costs incurred by the MVC in establishing the Alpha Kappa Alpha license plate program; and (2) Alpha Kappa Alpha, or its designee, has provided the MVC with a minimum of 500 completed applications for Alpha Kappa Alpha license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the MVC's website. Alpha Kappa Alpha, or any individual or entity designated by Alpha Kappa Alpha, may also publicize the availability of Alpha Kappa Alpha license plates in any manner Alpha Kappa Alpha 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 Alpha Kappa Alpha, 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. 1993 (1R) of 2014 will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Alpha Kappa Alpha 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 special Alpha Kappa Alpha fund receives any revenues from the \$50 fee in excess of MVC costs. If the costs exceed \$50 per plate the chief administrator may cancel the program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brenman
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. 1993

STATE OF NEW JERSEY

DATED: OCTOBER 9, 2014

The Senate Transportation Committee reports favorably Assembly Bill No. 1993(1R).

As reported, this bill authorizes an Alpha Kappa Alpha license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for these special 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 "Alpha Kappa Alpha License Plate Fund." The proceeds of the fund are to be annually appropriated to the Alpha Kappa Alpha Educational Advancement Foundation, Inc.

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

As amended, 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 Alpha Kappa Alpha license plates or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The bill also requires that the North Atlantic Region Alpha Kappa Alpha Chapter or other individual or entity designated by the chapter, 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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license

plates, or making any necessary programming changes, until: (1) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Alpha Kappa Alpha license plate program; and (2) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with a minimum of 500 completed applications for Alpha Kappa Alpha license plates, upon the availability for purchase of those plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. The North Atlantic Region Alpha Kappa Alpha Chapter or any individual or entity designated by the chapter, may also publicize the availability of Alpha Kappa Alpha license plates in any manner the chapter 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 the North Atlantic Region Alpha Kappa Alpha Chapter. The bill expires after 12 months if sufficient applications and fees to offset the initial costs are not received.

As reported, this bill is identical to Senate Bill No. 2280, which also was reported by the committee on this same date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1993

STATE OF NEW JERSEY

DATED: OCTOBER 27, 2014

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1993 (1R).

This bill authorizes an Alpha Kappa Alpha license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for these special 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 "Alpha Kappa Alpha License Plate Fund." The proceeds of the fund are to be annually appropriated to the Alpha Kappa Alpha Educational Advancement Foundation, Inc.

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

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The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. The North Atlantic Region Alpha Kappa Alpha Chapter or any individual or entity designated by the chapter, may also publicize the availability of Alpha Kappa Alpha license plates in any manner the chapter 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 the North Atlantic Region Alpha Kappa Alpha Chapter. The bill expires after 12 months if sufficient applications and fees to offset the initial costs are not received.

As reported, this bill is identical to Senate Bill No. 2280, which also was reported by the committee on this same date.

FISCAL IMPACT:

In the Legislative Fiscal Estimate prepared by the Office of Legislative Services (OLS) for this bill, the OLS notes that the bill will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Alpha Kappa Alpha 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 special Alpha Kappa Alpha fund receives any revenues from the \$50 fee in excess of MVC costs. If the costs exceed \$50 per plate the chief administrator may cancel the program.

SENATE, No. 2280

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JUNE 30, 2014

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

Senator M. TERESA RUIZ

District 29 (Essex)

Co-Sponsored by:

Senator Beck

SYNOPSIS

Authorizes special Alpha Kappa Alpha license plate.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/2/2014)

1 AN ACT concerning special Alpha Kappa Alpha license plates and
2 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 Alpha Kappa
9 Alpha 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 license plate shall display appropriate words or a slogan and an
13 emblem honoring the Alpha Kappa Alpha sorority. The chief
14 administrator shall select the design, including an emblem and color
15 scheme, in consultation with the North Atlantic Region Alpha
16 Kappa Alpha Chapter. Alpha Kappa Alpha license plates shall be
17 subject to the provisions of chapter 3 of Title 39 of the Revised
18 Statutes, except as hereinafter otherwise specifically provided.

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

32 c. There is created in the Department of the Treasury a special
33 non-lapsing fund to be known as the "Alpha Kappa Alpha License
34 Plate Fund." There shall be deposited in the fund the amount
35 collected from all license plate fees collected pursuant to subsection
36 b. of this section, less the amounts necessary to reimburse the
37 commission for administrative costs pursuant to subsection d. of
38 this section. Monies deposited in the fund shall be appropriated
39 annually to the Alpha Kappa Alpha Educational Advancement
40 Foundation, Inc. Monies deposited in the fund shall be held in
41 interest-bearing accounts in public depositories as defined pursuant
42 to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or
43 reinvested in such securities as are approved by the State Treasurer.
44 Interest or other income earned on monies deposited in the fund,
45 and any monies which may be appropriated or otherwise become
46 available for the purposes of the fund, shall be credited to and
47 deposited in the fund for use as set forth in P.L. , c. (C.)
48 (pending before the Legislature as this bill).

1 d. Prior to the deposit of the additional fees collected pursuant
2 to subsection b. of this section into the fund, amounts thereof as are
3 necessary shall be used to reimburse the commission for all costs
4 reasonably and actually incurred, as stipulated by the chief
5 administrator, for:

6 (1) producing, issuing, renewing, and publicizing the
7 availability of the Alpha Kappa Alpha license plates; and

8 (2) any computer programming changes that may be initially
9 necessary to implement the Alpha Kappa Alpha license plate
10 program established by P.L. , c. (C.) (pending before the
11 Legislature as this bill), in an amount not to exceed \$150,000.

12 The chief administrator shall annually certify to the State
13 Treasurer the average cost per license plate incurred in the
14 immediately preceding year by the commission in producing,
15 issuing, renewing, and publicizing the availability of the Alpha
16 Kappa Alpha license plates. The annual certification of the average
17 cost per license plate shall be approved by the Joint Budget
18 Oversight Committee, or its successor.

19 In the event that the average cost per license plate as certified by
20 the chief administrator and approved by the Joint Budget Oversight
21 Committee, or its successor, is greater than the \$50 application fee
22 established in subsection b. of this section in two consecutive fiscal
23 years, the chief administrator may discontinue the issuance of
24 Alpha Kappa Alpha license plates.

25 e. The chief administrator shall notify eligible motorists of the
26 opportunity to obtain Alpha Kappa Alpha license plates by
27 publicizing the availability of the license plates on the website of
28 the commission. The North Atlantic Region Alpha Kappa Alpha
29 Chapter, and any other individual or entity designated by the North
30 Atlantic Region Alpha Kappa Alpha Chapter, may publicize the
31 availability of Alpha Kappa Alpha license plates in any manner the
32 North Atlantic Region Alpha Kappa Alpha Chapter deems
33 appropriate.

34 f. The chief administrator and the Regional Director of the
35 North Atlantic Region Alpha Kappa Alpha Chapter shall develop
36 and enter into an interagency memorandum of agreement setting
37 forth the procedures to be followed in carrying out their respective
38 responsibilities under P.L. , c. (C.) (pending before the
39 Legislature as this bill).

40 g. The North Atlantic Region Alpha Kappa Alpha Chapter shall
41 appoint a representative who shall act as a liaison between the
42 organization and the commission. The liaison shall represent the
43 North Atlantic Region Alpha Kappa Alpha Chapter in any and all
44 communications with the commission regarding the Alpha Kappa
45 Alpha license plates established by P.L. , c. (C.) (pending
46 before the Legislature as this bill).

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4

1 2. a. No State or other public funds may be used by the
2 commission for the initial cost of:

3 (1) producing, issuing, and publicizing the availability of Alpha
4 Kappa Alpha license plates; or

5 (2) any computer programming changes which may be
6 necessary to implement the Alpha Kappa Alpha license plate
7 program established by P.L. , c. (C.) (pending before the
8 Legislature as this bill).

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

26 c. The commission shall not begin designing, producing,
27 issuing, or publicizing the availability of Alpha Kappa Alpha
28 license plates, or making any necessary programming changes, until
29 the following requirements have been met:

30 (1) The North Atlantic Region Alpha Kappa Alpha Chapter or
31 the individual or entity designated by the chapter, has provided the
32 commission with the money necessary, as determined by the chief
33 administrator pursuant to subsection b. of this section, to offset the
34 initial costs incurred by the commission in establishing the Alpha
35 Kappa Alpha license plate program; and

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

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1 The bill prohibits the commission from designing, producing,
2 issuing, or publicizing the availability of Alpha Kappa Alpha
3 license plates, or making any necessary programming changes,
4 until: (1) the North Atlantic Region Alpha Kappa Alpha Chapter, or
5 its designee, has provided the commission with the money
6 necessary to offset the initial costs incurred by the commission in
7 establishing the Alpha Kappa Alpha license plate program; and (2)
8 the North Atlantic Region Alpha Kappa Alpha Chapter, or its
9 designee, has provided the commission with a minimum of 500
10 completed applications for Alpha Kappa Alpha license plates, upon
11 the availability for purchase of those plates.

12 The chief administrator is responsible for publicizing the
13 availability of the license plates on the commission's website. The
14 North Atlantic Region Alpha Kappa Alpha Chapter or any
15 individual or entity designated by the chapter, may also publicize
16 the availability of Alpha Kappa Alpha license plates in any manner
17 the board deems appropriate.

18 The provisions of the bill remain inoperative until the
19 appropriate applications and fees required to offset the initial costs
20 incurred by the commission are provided by the North Atlantic
21 Region Alpha Kappa Alpha Chapter, and the bill expires after 12
22 months if sufficient applications and fees to offset the initial costs
23 are not received.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 2280

STATE OF NEW JERSEY

DATED: OCTOBER 9, 2014

The Senate Transportation Committee reports favorably Senate Bill No. 2280.

As reported, this bill authorizes an Alpha Kappa Alpha license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for these special 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 "Alpha Kappa Alpha License Plate Fund." The proceeds of the fund are to be annually appropriated to the Alpha Kappa Alpha Educational Advancement Foundation, Inc.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The bill also requires that the North Atlantic Region Alpha Kappa Alpha Chapter or other individual or entity designated by the chapter, 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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates, or making any necessary programming changes, until: (1) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee,

has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Alpha Kappa Alpha license plate program; and (2) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with a minimum of 500 completed applications for Alpha Kappa Alpha license plates, upon the availability for purchase of those plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. The North Atlantic Region Alpha Kappa Alpha Chapter or any individual or entity designated by the chapter, may also publicize the availability of Alpha Kappa Alpha license plates in any manner the chapter 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 the North Atlantic Region Alpha Kappa Alpha Chapter. The bill expires after 12 months if sufficient applications and fees to offset the initial costs are not received.

As reported, this bill is identical to Assembly Bill No. 1993(1R) which also was reported by the committee on this same date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2280

STATE OF NEW JERSEY

DATED: OCTOBER 27, 2014

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2280.

This bill authorizes an Alpha Kappa Alpha license plate. The design of the license plate is to be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for these special 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 "Alpha Kappa Alpha License Plate Fund." The proceeds of the fund are to be annually appropriated to the Alpha Kappa Alpha Educational Advancement Foundation, Inc.

The chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The bill also requires that the North Atlantic Region Alpha Kappa Alpha Chapter or other individual or entity designated by the chapter, 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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates, or making any necessary programming changes, until: (1) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with the money necessary to offset the

initial costs incurred by the commission in establishing the Alpha Kappa Alpha license plate program; and (2) the North Atlantic Region Alpha Kappa Alpha Chapter, or its designee, has provided the commission with a minimum of 500 completed applications for Alpha Kappa Alpha license plates, upon the availability for purchase of those plates.

The chief administrator is responsible for publicizing the availability of the license plates on the commission's website. The North Atlantic Region Alpha Kappa Alpha Chapter or any individual or entity designated by the chapter, may also publicize the availability of Alpha Kappa Alpha license plates in any manner the chapter 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 the North Atlantic Region Alpha Kappa Alpha Chapter. The bill expires after 12 months if sufficient applications and fees to offset the initial costs are not received.

As reported, this bill is identical to Assembly Bill No. 1993(1R) which also was reported by the committee on this same date.

FISCAL IMPACT:

In the Legislative Fiscal Estimate prepared by the Office of Legislative Services (OLS) for this bill, the OLS notes that the bill will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Alpha Kappa Alpha 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 special Alpha Kappa Alpha fund receives any revenues from the \$50 fee in excess of MVC costs. If the costs exceed \$50 per plate the chief administrator may cancel the program.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2280
STATE OF NEW JERSEY
216th LEGISLATURE

DATED: OCTOBER 27, 2014

SUMMARY

Synopsis: Authorizes special Alpha Kappa Alpha license plate.

Type of Impact: No net 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 Net Impact – See comments below		

- Alpha Kappa Alpha is required to provide to MVC up to \$25,000 and 500 applicants before plates begin production to ensure that the 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 net costs.
- The Chief Administrator of the MVC is permitted to set the initial contribution at any amount up to \$25,000. Therefore, the initial contribution should equal the initial cost to MVC, 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

Senate Bill No. 2280 of 2014 authorizes a special Alpha Kappa Alpha license plate. The design of the license plate is to be chosen by the chief administrator of the MVC in consultation with the North Atlantic Region Alpha Kappa Alpha Chapter.

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, and an annual post-issuance fee of \$10. The

chief administrator is required to annually certify the average cost per license plate in producing, issuing, and publicizing the Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates or any computer programming changes which may be necessary to implement the Alpha Kappa Alpha license plate program.

The bill also requires that Alpha Kappa Alpha, or other individual or entity designated by Alpha Kappa Alpha, 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 Alpha Kappa Alpha 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 Alpha Kappa Alpha license plates, or making any necessary programming changes, until: (1) Alpha Kappa Alpha, or its designee, has provided the MVC with the money necessary to offset the initial costs incurred by the MVC in establishing the Alpha Kappa Alpha license plate program; and (2) Alpha Kappa Alpha, or its designee, has provided the MVC with a minimum of 500 completed applications for Alpha Kappa Alpha license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the MVC's website. Alpha Kappa Alpha, or any individual or entity designated by Alpha Kappa Alpha, may also publicize the availability of Alpha Kappa Alpha license plates in any manner Alpha Kappa Alpha 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 Alpha Kappa Alpha, 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. 2280 of 2014 will have no net fiscal impact on the State of New Jersey. Before the MVC begins designing and producing the plates, Alpha Kappa Alpha is required to (1) provide up to \$25,000 in funds as determined by the chief administrator; and (2) to pre-register 500 applicants for the plates, thus generating another \$25,000 in revenues. 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 special Alpha Kappa Alpha fund receives any revenues in excess of MVC costs. If the costs exceed \$50 per plate the chief administrator may cancel the program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Patrick Brennan
Senior 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.).