# 39:3-27.154 & 39:3-27.155

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF:	2018	CHAP	TER:	134			
NJSA:	39:3-27	.154 & 39:3-27. <sup>-</sup>	155 (Aut	horizes issuance	of special Humar	ne State	license plates.)
BILL NO:	S883	(Subst	ituted for	r A2197)			
SPONSOR(S)	Sacco a	and others					
DATE INTROD	UCED:	1/16/2018					
COMMITTEE:		ASSEMBLY:					
		SENATE:		portation t & Appropriations	5		
AMENDED DU		ASSAGE:	Yes				
DATE OF PAS	SAGE:	ASSEI	MBLY:	9/27/2018			
		SENA	TE:	2/26/2018			
DATE OF APP	ROVAL:	11/1/20	018				
FOLLOWING	ARE ATT	ACHED IF AVA	ILABLE	:			
FINAL	TEXT O	F BILL (First Re	print ena	acted)		Yes	
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(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:

No

Yes

LEGISLATIVE FISCAL ESTIMATE:

(continued)

VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
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NEWSPAPER ARTICLES:	No

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§§1,2 -C.39:3-27.154 & 39:3-27.155 §3 - Note

#### P.L. 2018, CHAPTER 134, approved November 1, 2018 Senate, No. 883 (First Reprint)

AN ACT authorizing the issuance of Humane State license plates
 and supplementing chapter 3 of Title 39 of the Revised Statutes.

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

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7 1. a. Upon proper application, the Chief Administrator of the 8 New Jersey Motor Vehicle Commission shall issue Humane State 9 license plates for any motor vehicle owned or leased and registered 10 in this State. In addition to the registration number and other markings or identification otherwise prescribed by law, the license 11 plates shall display the words "HUMANE STATE," and an emblem 12 13 indicating support for the care of animals. The chief administrator shall, in consultation with the <sup>1</sup>[State Director of the Humane 14 Society of the United States –] <u>Animal Welfare Federation of</u><sup>1</sup> New 15 Jersey, select the design and color scheme of the Humane State 16 17 license plates. The Humane State license plates shall be subject to 18 the provisions of chapter 3 of Title 39 of the Revised Statutes, 19 except as hereinafter otherwise specifically provided.

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

c. There is created in the Department of the Treasury a special
non-lapsing fund to be known as the "Humane State License Plate
Fund." There shall be deposited in the fund the amount collected
from all license plate fees collected pursuant to subsection b. of this
section, less the amounts necessary to reimburse the commission for

Matter underlined <u>thus</u> is new matter.

**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 enclosed in superscript numerals has been adopted as follows: <sup>1</sup>Senate SBA committee amendments adopted February 15, 2018.

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1 administrative costs pursuant to subsection d. of this section. 2 Monies deposited in the fund shall be appropriated annually to the <sup>1</sup>[Humane Society of the United States –] <u>Animal Welfare</u> 3 <u>Federation of</u><sup>1</sup> New Jersey, to be used to provide grants to county 4 5 societies for the prevention of cruelty to animals for the shelter and 6 care of animals. Monies deposited in the fund shall be held in 7 interest-bearing accounts in public depositories as defined pursuant 8 to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or 9 reinvested in securities approved by the State Treasurer. Interest or 10 other income earned on monies deposited into the fund, and any 11 monies which may be appropriated or otherwise become available 12 for the purposes of the fund, shall be credited to and deposited in 13 the fund for use as set forth in P.L. , c. (C. ) (pending 14 before the Legislature as this bill). 15 d. Prior to the deposit of the additional fees collected pursuant 16 to subsection b. of this section into the "Humane State License Plate 17 Fund," amounts thereof as are necessary shall be used to reimburse 18 the commission for all costs reasonably and actually incurred, as 19 stipulated by the chief administrator, for: 20 (1) designing, producing, issuing, renewing, and publicizing the 21 availability of the Humane State license plates; and 22 (2) any computer programming changes that may be initially 23 necessary to implement the Humane State license plate program in 24 an amount not to exceed \$150,000. 25 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 Humane 29 State 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 the chief administrator and approved by the Joint Budget Oversight 33 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 Humane State license plates. 38 The chief administrator shall notify eligible motorists of the e. 39 opportunity to obtain Humane State license plates by publicizing 40 the availability of the license plates on the commission's website. 41 The <sup>1</sup>[Humane Society of the United States –] <u>Animal Welfare</u> Federation of<sup>1</sup> New Jersey, and any other individual or entity 42 designated by the <sup>1</sup>[Humane Society of the United States –] <u>Animal</u> 43 Welfare Federation of<sup>1</sup> New Jersey, may publicize the availability of 44 the Humane State license plates in any manner that the <sup>1</sup>[Humane 45 Society of the United States –] <u>Animal Welfare Federation of</u><sup>1</sup> New 46

47 Jersey deems appropriate.

1 The chief administrator and the <sup>1</sup>[State Director of the f. 2 Humane Society of the United States –] President of the Animal 3 Welfare Federation of<sup>1</sup> New Jersey shall develop and enter into a memorandum of agreement setting forth the procedures to be 4 5 followed in carrying out their respective responsibilities under P.L., 6 ) (pending before the Legislature as this bill). c. (C. 7 g. The <sup>1</sup>[State Director of the Humane Society of the United 8 States –] President of the Animal Welfare Federation of<sup>1</sup> New Jersey shall appoint a representative who shall act as a liaison between the 9 10 <sup>1</sup>[Humane Society of the United States –] <u>Animal Welfare</u> Federation of<sup>1</sup> New Jersey and the commission. The liaison shall 11 12 represent the <sup>1</sup>[Humane Society of the United States –] Animal Welfare Federation of<sup>1</sup> New Jersey in any and all communications 13 14 with the commission regarding the Humane State license plates 15 established by P.L. , c. (C. ) (pending before the 16 Legislature as this bill). 17 18 2. a. State or public funds shall not be used by the commission 19 for the initial cost of: 20 (1) designing, producing, issuing, and publicizing the availability of Humane State license plates; or 21 22 (2) any computer programming changes which may be 23 necessary to implement the Humane State license plate program 24 established by P.L. , c. (C. ) (pending before the 25 Legislature as this bill). b. The <sup>1</sup>[Humane Society of the United States -] Animal 26 Welfare Federation of<sup>1</sup> New Jersey or an individual or entity 27 designated by the <sup>1</sup>[Humane Society of the United States –] Animal 28 Welfare Federation of<sup>1</sup> New Jersey, shall contribute non-public 29 30 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 31 32 incurred by the commission for designing, producing, issuing, and 33 publicizing the availability of Humane State license plates, and any 34 computer programming which may be necessary to implement the Concerned organizations and individual donors may 35 program. contribute monies to the <sup>1</sup>[Humane Society of the United States –] 36 Animal Welfare Federation of<sup>1</sup> New Jersey to be used to offset the 37 initial costs incurred by the commission for the Humane State 38 39 license plates authorized by P.L., c. (C. ) (pending before the Legislature as this bill). Any amount remaining after the 40 41 payment of the initial cost shall be deposited in the "Humane State License Plate Fund" established pursuant to subsection c. of section 42 43 1 of P.L. , c. (C. ) (pending before the Legislature as this 44 bill).

c. The commission shall not begin designing, producing,issuing, or publicizing the availability of Humane State license

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1 plates, or making any necessary programming changes, until the 2 following requirements have been met: (1) The <sup>1</sup>[Humane Society of the United States –] <u>Animal</u> 3 Welfare Federation of<sup>1</sup> New Jersey or an individual or entity 4 designated by the <sup>1</sup>[Humane Society of the United States –] Animal 5 Welfare Federation of<sup>1</sup> New Jersey, has provided the commission 6 7 with the money necessary, as determined by the chief administrator 8 pursuant to subsection b. of this section, to offset the initial costs 9 incurred by the commission in establishing the Humane State 10 license plate program; and (2) The liaison appointed by the <sup>1</sup>[Humane Society of the 11 12 United States –] Animal Welfare Federation of <sup>1</sup> New Jersey P.L. , c. (C. pursuant to subsection g. of section 1 of 13 ) (pending before the Legislature as this bill) has provided the 14 commission with not less than 500 completed applications for 15 16 Humane State license plates. These applications shall constitute the 17 initial order for Humane State license plates and shall be 18 accompanied by a fee representing the total cost of the initial order. 19 The fee shall be determined by multiplying the number of sets of 20 license plates being ordered by the applicable initial fee for each set 21 of license plates as set forth in subsection b. of section 1 of P.L. 22 c. (C. ) (pending before the Legislature as this bill). 23 24 3. This act shall take effect immediately, but shall remain 25 inoperative until the first day of the seventh month following the 26 date on which the conditions set forth in paragraphs (1) and (2) of 27 subsection c. of section 2 of this act have been satisfied. The chief 28 administrator may take anticipatory acts in advance of that date as 29 may be necessary for the timely implementation of this act. This 30 act shall expire if the conditions set forth in paragraphs (1) and (2) 31 of subsection c. of section 2 of this act are not satisfied by the last 32 day of the 12th month following enactment. 33 34 35 36 37 Authorizes issuance of special Humane State license plates.

# SENATE, No. 883 **STATE OF NEW JERSEY** 218th LEGISLATURE

INTRODUCED JANUARY 16, 2018

Sponsored by: Senator NICHOLAS J. SACCO District 32 (Bergen and Hudson) Senator BRIAN P. STACK District 33 (Hudson)

#### SYNOPSIS

Authorizes issuance of special Humane State license plates.

#### **CURRENT VERSION OF TEXT**

As introduced.



**AN ACT** authorizing the issuance of Humane State license plates and supplementing chapter 3 of Title 39 of the Revised Statutes.

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

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7 1. a. Upon proper application, the Chief Administrator of the 8 New Jersey Motor Vehicle Commission shall issue Humane State 9 license plates for any motor vehicle owned or leased and registered 10 in this State. In addition to the registration number and other 11 markings or identification otherwise prescribed by law, the license 12 plates shall display the words "HUMANE STATE," and an emblem 13 indicating support for the care of animals. The chief administrator 14 shall, in consultation with the State Director of the Humane Society 15 of the United States - New Jersey, select the design and color 16 scheme of the Humane State license plates. The Humane State 17 license plates shall be subject to the provisions of chapter 3 of Title 18 39 of the Revised Statutes, except as hereinafter otherwise 19 specifically provided.

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

33 There is created in the Department of the Treasury a special c. 34 non-lapsing fund to be known as the "Humane State License Plate 35 Fund." There shall be deposited in the fund the amount collected 36 from all license plate fees collected pursuant to subsection b. of this 37 section, less the amounts necessary to reimburse the commission for administrative costs pursuant to subsection d. of this section. 38 39 Monies deposited in the fund shall be appropriated annually to the 40 Humane Society of the United States - New Jersey, to be used to 41 provide grants to county societies for the prevention of cruelty to 42 animals for the shelter and care of animals. Monies deposited in the 43 fund shall be held in interest-bearing accounts in public depositories 44 as defined pursuant to section 1 of P.L.1970, c.236 (C.17:9-41), and 45 may be invested or reinvested in securities approved by the State 46 Treasurer. Interest or other income earned on monies deposited into 47 the fund, and any monies which may be appropriated or otherwise 48 become available for the purposes of the fund, shall be credited to

1 and deposited in the fund for use as set forth in P.L. 2 ) (pending before the Legislature as this bill). c. (C. 3 d. Prior to the deposit of the additional fees collected pursuant 4 to subsection b. of this section into the "Humane State License Plate 5 Fund," amounts thereof as are necessary shall be used to reimburse 6 the commission for all costs reasonably and actually incurred, as 7 stipulated by the chief administrator, for: 8 (1) designing, producing, issuing, renewing, and publicizing the 9 availability of the Humane State license plates; and 10 (2) any computer programming changes that may be initially 11 necessary to implement the Humane State license plate program in 12 an amount not to exceed \$150,000. The chief administrator shall annually certify to the State 13 14 Treasurer the average cost per license plate incurred in the 15 immediately preceding year by the commission in producing, 16 issuing, renewing, and publicizing the availability of the Humane 17 State license plates. The annual certification of the average cost per 18 license plate shall be approved by the Joint Budget Oversight 19 Committee, or its successor. 20 In the event that the average cost per license plate as certified by 21 the chief administrator and approved by the Joint Budget Oversight 22 Committee, or its successor, is greater than the \$50 application fee 23 established in subsection b. of this section in two consecutive fiscal 24 years, the chief administrator may discontinue the issuance of 25 Humane State license plates. 26 The chief administrator shall notify eligible motorists of the e. 27 opportunity to obtain Humane State license plates by publicizing the availability of the license plates on the commission's website. 28 29 The Humane Society of the United States - New Jersey, and any 30 other individual or entity designated by the Humane Society of the 31 United States – New Jersey, may publicize the availability of the Humane State license plates in any manner that the Humane Society 32 33 of the United States – New Jersey deems appropriate. 34 f The chief administrator and the State Director of the Humane Society of the United States - New Jersey shall develop 35 and enter into a memorandum of agreement setting forth the 36 37 procedures to be followed in carrying out their respective , c. 38 responsibilities under P.L. (C. ) (pending before the 39 Legislature as this bill). 40 g. The State Director of the Humane Society of the United 41 States – New Jersey shall appoint a representative who shall act as a 42 liaison between the Humane Society of the United States - New 43 Jersey and the commission. The liaison shall represent the Humane 44 Society of the United States - New Jersey in any and all 45 communications with the commission regarding the Humane State 46 license plates established by P.L., c. (C. ) (pending before

47 the Legislature as this bill).

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

3 (1) designing, producing, issuing, and publicizing the 4 availability of Humane State license plates; or

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

9 b. The Humane Society of the United States – New Jersey or an 10 individual or entity designated by the Humane Society of the United 11 States - New Jersey, shall contribute non-public monies in an 12 amount to be determined by the chief administrator, not to exceed a 13 total of \$25,000, to be used to offset the initial costs incurred by the 14 commission for designing, producing, issuing, and publicizing the 15 availability of Humane State license plates, and any computer 16 programming which may be necessary to implement the program. 17 Concerned organizations and individual donors may contribute 18 monies to the Humane Society of the United States - New Jersey to 19 be used to offset the initial costs incurred by the commission for the 20 Humane State license plates authorized by P.L. (C. , c. ) 21 (pending before the Legislature as this bill). Any amount remaining 22 after the payment of the initial cost shall be deposited in the 23 "Humane State License Plate Fund" established pursuant to 24 subsection c. of section 1 of P.L. , c. (C. ) (pending 25 before the Legislature as this bill).

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

30 (1) The Humane Society of the United States – New Jersey or an 31 individual or entity designated by the Humane Society of the United 32 States – New Jersey, has provided the commission with the money 33 necessary, as determined by the chief administrator pursuant to 34 subsection b. of this section, to offset the initial costs incurred by 35 the commission in establishing the Humane State license plate 36 program; and

37 (2) The liaison appointed by the Humane Society of the United States - New Jersey pursuant to subsection g. of section 1 of 38 39 P.L. , c. (C. ) (pending before the Legislature as this bill) 40 has provided the commission with not less than 500 completed 41 applications for Humane State license plates. These applications 42 shall constitute the initial order for Humane State license plates and 43 shall be accompanied by a fee representing the total cost of the 44 The fee shall be determined by multiplying the initial order. 45 number of sets of license plates being ordered by the applicable 46 initial fee for each set of license plates as set forth in subsection b. 47 of section 1 of P.L. , c. (C. ) (pending before the 48 Legislature as this bill).

# S883 SACCO, STACK

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

#### STATEMENT

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

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The bill provides that the design of the Humane State license plate is to display the words "HUMANE STATE," and an emblem indicating support for the care of animals. The chief administrator is to, in consultation with the State Director of the Humane Society of the United States – New Jersey (NJ Humane Society), select the design and color scheme of the Humane State license plates.

23 In addition to all fees otherwise required by law for the 24 registration of a motor vehicle, there is an application fee of \$50 25 and an annual renewal fee of \$10 for the Humane State license 26 plates. After the deduction of the cost of designing, producing, 27 issuing, renewing, and publicizing the plates and of any computer 28 programming changes that are necessary to implement the license 29 plate program, in an amount not to exceed \$150,000, the additional 30 fees will be deposited into a special non-lapsing fund known as the 31 "Humane State License Plate Fund." The proceeds of the fund are 32 to be annually appropriated to the NJ Humane Society, to be used to 33 provide grants to county societies for the prevention of cruelty to 34 animals for the shelter and care of animals.

35 The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the 36 37 availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief 38 39 administrator may discontinue the Humane State license plate 40 program. The bill also requires that the State Director of the NJ 41 Humane Society appoint a liaison to represent the NJ Humane 42 Society in all communications with the commission regarding the 43 Humane State license plates.

The bill provides that State or other public funds are not to be used by the commission for the initial cost to implement the Humane State license plate program. The bill requires the NJ Humane Society, or an individual or entity designated by the NJ Humane Society, to contribute non-public monies, not to exceed

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\$25,000, to offset the initial costs to design, produce, issue, and
publicize the license plates and for computer programming changes
which may be necessary to implement the program. The bill
authorizes the NJ Humane Society to receive funds from private
sources to be used to offset the initial costs.

6 The chief administrator is not required to design, produce, issue, 7 or publicize the availability of the Humane State license plates, 8 until: (1) the NJ Humane Society or the individual or entity 9 designated by the NJ Humane Society has provided the commission 10 with the money necessary to offset the initial costs incurred by the 11 commission in establishing the Humane State license plate program; 12 and (2) the department's liaison has provided the commission with a 13 minimum of 500 completed applications for the Humane State 14 license plates.

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

## STATEMENT TO

# **SENATE, No. 883**

# **STATE OF NEW JERSEY**

#### DATED: JANUARY 22, 2018

The Senate Transportation Committee reports favorably Senate Bill No. 883.

As reported, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Humane State license plates.

The bill provides that the design of the Humane State license plate is to display the words "HUMANE STATE," and an emblem indicating support for the care of animals. The chief administrator is to, in consultation with the State Director of the Humane Society of the United States – New Jersey (NJ Humane Society), select the design and color scheme of the Humane State license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Humane State license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Humane State License Plate Fund." The proceeds of the fund are to be annually appropriated to the NJ Humane Society, to be used to provide grants to county societies for the prevention of cruelty to animals for the shelter and care of animals.

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

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

The commission is not required to design, produce, issue, or publicize the availability of the Humane State license plates, until: (1) the NJ Humane Society or the individual or entity designated by the NJ Humane Society has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Humane State license plate program; and (2) the NJ Humane Society's liaison has provided the commission with a minimum of 500 completed applications for the Humane State license plates.

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

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

# SENATE, No. 883

with committee amendments

# **STATE OF NEW JERSEY**

#### DATED: FEBRUARY 15, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 883, with committee amendments.

As amended, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Humane State license plates.

The bill provides that the design of the Humane State license plate is to display the words "HUMANE STATE," and an emblem indicating support for the care of animals. The chief administrator is to, in consultation with the Animal Welfare Federation of New Jersey (AWFNJ), select the design and color scheme of the Humane State license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Humane State license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Humane State License Plate Fund." The proceeds of the fund are to be annually appropriated to the AWFNJ, to be used to provide grants to county societies for the prevention of cruelty to animals for the shelter and care of animals.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the Humane State license plate program. The bill also requires that the President of the AWFNJ appoint a liaison to represent the AWFNJ in all communications with the commission regarding the Humane State license plates.

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

The commission is not required to design, produce, issue, or publicize the availability of the Humane State license plates, until: (1) the AWFNJ or the individual or entity designated by the AWFNJ has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Humane State license plate program; and (2) the AWFNJ's liaison has provided the commission with a minimum of 500 completed applications for the Humane State license plates.

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

#### COMMITTEE AMENDMENTS:

The committee amendments designate the Animal Welfare Federation of New Jersey, in place of the Humane Society of the United States – New Jersey, as the organization that is to receive funds from the issuance of the Humane Society license plates, consult with the State's Motor Vehicle Commission (MVC) regarding the design and advertisement of the license plates, provide the MVC with an initial order of at least 500 license plates, and provide, or have a designee provide, an initial offset of the costs incurred in establishing this program.

#### FISCAL IMPACT:

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

The bill establishes the special Humane State license plate program in such a manner that the MVC may fully recover the expenses it incurs in administering the program. The MVC has identified its initial cost of designing and establishing a new license plate series as \$62,000, which is largely attributable to computer system changes, and the per plate cost of an initial 550 plate run as \$6.60, for a total cost of \$65,700. The MVC will receive a \$50 Humane State license plate application fee in addition to a \$10 annual renewal fee. Initial fee collections will reimburse the MVC for the expenses it incurs in administering the program. In addition, the MVC will have to receive an initial payment of up to \$25,000 and a minimum of 500 license plate applications for a total of \$50,000 to offset initial costs before license plate production begins. The MVC will then be permitted to retain additional fee amounts until its costs are fully reimbursed.

After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated annually to the Animal Welfare Federation of New Jersey to be used to provide grants to county societies for the prevention of cruelty to animals for the shelter and care of animals.

# LEGISLATIVE FISCAL ESTIMATE [First Reprint] SENATE, No. 883 STATE OF NEW JERSEY 218th LEGISLATURE

DATED: MARCH 1, 2018

## SUMMARY

Synopsis:	Authorizes issuance of special Humane State license plates.
Types of Impact:	Annual State revenue and expenditure increases.
Agencies Affected:	New Jersey Motor Vehicle Commission.

## **Office of Legislative Services Estimate**

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

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



• After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated to the Animal Welfare Federation of New Jersey to be used to provide grants to county societies for prevention of cruelty to animals.

#### **BILL DESCRIPTION**

This bill authorizes the MVC to issue special Humane State license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Humane State license plates. After the deduction of the MVC's cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Humane State License Plate Fund." Fund proceeds are to be annually appropriated to the Animal Welfare Federation of New Jersey to be used to provide grants to county societies for the prevention of cruelty to animals for the shelter and care of animals.

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

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

#### FISCAL ANALYSIS

#### **EXECUTIVE BRANCH**

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

#### **OFFICE OF LEGISLATIVE SERVICES**

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

The bill establishes the Humane State license plate program in such a manner that the MVC may fully recover the expenses it incurs in administering the program. But the MVC may also,

at its discretion, operate the program at a net cost. If the number of license plate applications is below 500 in the first 12 months following the effective date, the bill will expire without the creation of the license plate program. Conversely, if the number of applications is equal to or greater than 500, the MVC will be able to recover its costs within no more than three years of the creation of the program.

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

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

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

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

Section:	Authorities, Utilities, Transportation and Communications
Analyst:	Patrick Brennan Senior Fiscal Analyst
Approved:	Frank W. Haines III Legislative Budget and Finance Officer

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

# ASSEMBLY, No. 2197 STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 1, 2018

Sponsored by: Assemblyman TIM EUSTACE District 38 (Bergen and Passaic) Assemblyman RAJ MUKHERJI District 33 (Hudson) Assemblyman DANIEL R. BENSON District 14 (Mercer and Middlesex)

Co-Sponsored by: Assemblyman Rooney

#### SYNOPSIS

Authorizes issuance of special Humane State license plates.

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 9/28/2018)

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AN ACT authorizing the issuance of Humane State license plates and supplementing chapter 3 of Title 39 of the Revised Statutes.

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

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7 1. a. Upon proper application, the Chief Administrator of the 8 New Jersey Motor Vehicle Commission shall issue Humane State 9 license plates for any motor vehicle owned or leased and registered 10 in this State. In addition to the registration number and other 11 markings or identification otherwise prescribed by law, the license 12 plates shall display the words "HUMANE STATE," and an emblem 13 indicating support for the care of animals. The chief administrator 14 shall, in consultation with the Animal Welfare Federation of New 15 Jersey, select the design and color scheme of the Humane State 16 license plates. The Humane State license plates shall be subject to 17 the provisions of chapter 3 of Title 39 of the Revised Statutes, 18 except as hereinafter otherwise specifically provided.

19 b. Application for issuance of Humane State 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 New Jersey Motor Vehicle Commission, which shall 24 be in addition to the fees otherwise prescribed by law for the 25 registration of a motor vehicle. The chief administrator shall collect 26 annually, subsequent to the year of issuance of the Humane State 27 license plates, a \$10 fee for the license plates in addition to the fees 28 otherwise prescribed by law for the registration of a motor vehicle. 29 The additional fees required by this subsection shall be deposited in 30 the "Humane State License Plate Fund" created pursuant to 31 subsection c. of this section.

32 There is created in the Department of the Treasury a special c. 33 non-lapsing fund to be known as the "Humane State License Plate 34 Fund." There shall be deposited in the fund the amount collected 35 from all license plate fees collected pursuant to subsection b. of this 36 section, less the amounts necessary to reimburse the commission for 37 administrative costs pursuant to subsection d. of this section. 38 Monies deposited in the fund shall be appropriated annually to the 39 Animal Welfare Federation of New Jersey, to be used to provide 40 grants to county societies for the prevention of cruelty to animals 41 for the shelter and care of animals. Monies deposited in the fund 42 shall be held in interest-bearing accounts in public depositories as 43 defined pursuant to section 1 of P.L.1970, c.236 (C.17:9-41), and 44 may be invested or reinvested in securities approved by the State 45 Treasurer. Interest or other income earned on monies deposited into 46 the fund, and any monies which may be appropriated or otherwise 47 become available for the purposes of the fund, shall be credited to

1 and deposited in the fund for use as set forth in P.L. 2 c. (C. ) (pending before the Legislature as this bill). 3 d. Prior to the deposit of the additional fees collected pursuant 4 to subsection b. of this section into the "Humane State License Plate 5 Fund," amounts thereof as are necessary shall be used to reimburse 6 the commission for all costs reasonably and actually incurred, as 7 stipulated by the chief administrator, for: 8 (1) designing, producing, issuing, renewing, and publicizing the 9 availability of the Humane State license plates; and 10 (2) any computer programming changes that may be initially 11 necessary to implement the Humane State license plate program in 12 an amount not to exceed \$150,000. 13 The chief administrator shall annually certify to the State Treasurer the average cost per license plate incurred in the 14 15 immediately preceding year by the commission in producing, 16 issuing, renewing, and publicizing the availability of the Humane 17 State license plates. The annual certification of the average cost per 18 license plate shall be approved by the Joint Budget Oversight 19 Committee, or its successor. 20 In the event that the average cost per license plate as certified by 21 the chief administrator and approved by the Joint Budget Oversight 22 Committee, or its successor, is greater than the \$50 application fee 23 established in subsection b. of this section in two consecutive fiscal 24 years, the chief administrator may discontinue the issuance of 25 Humane State license plates. 26 The chief administrator shall notify eligible motorists of the e. 27 opportunity to obtain Humane State license plates by publicizing the availability of the license plates on the commission's website. 28 29 The Animal Welfare Federation of New Jersey, and any other 30 individual or entity designated by the Animal Welfare Federation of 31 New Jersey, may publicize the availability of the Humane State 32 license plates in any manner that the Animal Welfare Federation of 33 New Jersey deems appropriate. 34 f The chief administrator and the President of the Animal Welfare Federation of New Jersey shall develop and enter into a 35 memorandum of agreement setting forth the procedures to be 36 37 followed in carrying out their respective responsibilities under 38 P.L. , c. (C. ) (pending before the Legislature as this bill). 39 The President of the Animal Welfare Federation of New g. 40 Jersey shall appoint a representative who shall act as a liaison 41 between the Animal Welfare Federation of New Jersey and the 42 The liaison shall represent the Animal Welfare commission. 43 Federation of New Jersey in any and all communications with the 44 commission regarding the Humane State license plates established 45 by P.L. , c. (C. ) (pending before the Legislature as this

46 bill).

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

3 (1) designing, producing, issuing, and publicizing the4 availability of Humane State license plates; or

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

9 b. The Animal Welfare Federation of New Jersey or an 10 individual or entity designated by the Animal Welfare Federation of 11 New Jersey, shall contribute non-public monies in an amount to be 12 determined by the chief administrator, not to exceed a total of 13 \$25,000, to be used to offset the initial costs incurred by the 14 commission for designing, producing, issuing, and publicizing the 15 availability of Humane State license plates, and any computer 16 programming which may be necessary to implement the program. 17 Concerned organizations and individual donors may contribute 18 monies to the Animal Welfare Federation of New Jersey to be used 19 to offset the initial costs incurred by the commission for the 20 Humane State license plates authorized by P.L. , c. (C. ) 21 (pending before the Legislature as this bill). Any amount remaining 22 after the payment of the initial cost shall be deposited in the 23 "Humane State License Plate Fund" established pursuant to 24 subsection c. of section 1 of P.L. , c. (C. ) (pending before 25 the Legislature as this bill).

c. The commission shall not begin designing, producing,
issuing, or publicizing the availability of Humane State license
plates, or making any necessary programming changes, until the
following requirements have been met:

(1) The Animal Welfare Federation of New Jersey or an
individual or entity designated by the Animal Welfare Federation of
New Jersey, has provided the commission with the money
necessary, as determined by the chief administrator pursuant to
subsection b. of this section, to offset the initial costs incurred by
the commission in establishing the Humane State license plate
program; and

37 (2) The liaison appointed by the Animal Welfare Federation of38 New Jersey pursuant to subsection g. of section 1 of P.L. ,

39 c. (C. ) (pending before the Legislature as this bill) has 40 provided the commission with not less than 500 completed 41 applications for Humane State license plates. These applications 42 shall constitute the initial order for Humane State license plates and 43 shall be accompanied by a fee representing the total cost of the 44 The fee shall be determined by multiplying the initial order. 45 number of sets of license plates being ordered by the applicable 46 initial fee for each set of license plates as set forth in subsection b. of section 1 of P.L., c. (C. 47 ) (pending before the Legislature 48 as this bill).

#### A2197 EUSTACE, MUKHERJI

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

#### STATEMENT

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

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The bill provides that the design of the Humane State license plate is to display the words "HUMANE STATE," and an emblem indicating support for the care of animals. The chief administrator is to, in consultation with the Animal Welfare Federation of New Jersey (AWFNJ), select the design and color scheme of the Humane State license plates.

23 In addition to all fees otherwise required by law for the 24 registration of a motor vehicle, there is an application fee of \$50 25 and an annual renewal fee of \$10 for the Humane State license 26 plates. After the deduction of the cost of designing, producing, 27 issuing, renewing, and publicizing the plates and of any computer 28 programming changes that are necessary to implement the license 29 plate program, in an amount not to exceed \$150,000, the additional 30 fees will be deposited into a special non-lapsing fund known as the 31 "Humane State License Plate Fund." The proceeds of the fund are 32 to be annually appropriated to the AWFNJ, to be used to provide 33 grants to county societies for the prevention of cruelty to animals 34 for the shelter and care of animals.

35 The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the 36 37 availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief 38 39 administrator may discontinue the Humane State license plate 40 program. The bill also requires that the President of the AWFNJ 41 appoint a liaison to represent the AWFNJ in all communications 42 with the commission regarding the Humane State license plates.

The bill provides that State or other public funds are not to be used by the commission for the initial cost to implement the Humane State license plate program. The bill requires the AWFNJ, or an individual or entity designated by the AWFNJ, to contribute non-public monies, not to exceed \$25,000, to offset the initial costs to design, produce, issue, and publicize the license plates and for

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1 computer programming changes which may be necessary to 2 implement the program. The bill authorizes the AWFNJ to receive 3 funds from private sources to be used to offset the initial costs. 4 The commission is not required to design, produce, issue, or 5 publicize the availability of the Humane State license plates, until: 6 (1) the AWFNJ or the individual or entity designated by the 7 AWFNJ has provided the commission with the money necessary to 8 offset the initial costs incurred by the commission in establishing 9 the Humane State license plate program; and (2) the AWFNJ's 10 liaison has provided the commission with a minimum of 500 11 completed applications for the Humane State license plates. 12 The provisions of the bill will remain inoperative until the first 13 day of the seventh month after the appropriate applications and fees 14 required to offset the initial costs incurred by the commission are

15 provided to the commission. The bill expires on the last day of the 16 12th month if sufficient applications and fees to offset the initial

17 costs are not received.

# ASSEMBLY TRANSPORTATION AND INDEPENDENT AUTHORITIES COMMITTEE

# STATEMENT TO

# ASSEMBLY, No. 2197

# **STATE OF NEW JERSEY**

#### DATED: FEBRUARY 1, 2018

The Assembly Transportation and Independent Authorities Committee reports favorably Assembly Bill No. 2197.

As reported, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Humane State license plates.

The bill provides that the design of the Humane State license plate is to display the words "HUMANE STATE," and an emblem indicating support for the care of animals. The chief administrator is to, in consultation with the Animal Welfare Federation of New Jersey (AWFNJ), select the design and color scheme of the Humane State license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Humane State license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Humane State License Plate Fund." The proceeds of the fund are to be annually appropriated to the AWFNJ, to be used to provide grants to county societies for the prevention of cruelty to animals for the shelter and care of animals.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the Humane State license plate program. The bill also requires that the President of the AWFNJ appoint a liaison to represent the AWFNJ in all communications with the commission regarding the Humane State license plates.

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

The commission is not required to design, produce, issue, or publicize the availability of the Humane State license plates, until: (1) the AWFNJ or the individual or entity designated by the AWFNJ has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Humane State license plate program; and (2) the AWFNJ's liaison has provided the commission with a minimum of 500 completed applications for the Humane State license plates.

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

# LEGISLATIVE FISCAL ESTIMATE ASSEMBLY, No. 2197 STATE OF NEW JERSEY 218th LEGISLATURE

DATED: OCTOBER 2, 2018

# SUMMARY

Synopsis:	Authorizes issuance of special Humane State license plates.
Types of Impact:	Annual State revenue and expenditure increases.
Agencies Affected:	New Jersey Motor Vehicle Commission.

### Office of Legislative Services Estimate

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

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



• After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated to the Animal Welfare Federation of New Jersey to be used to provide grants to county societies for prevention of cruelty to animals.

#### **BILL DESCRIPTION**

This bill authorizes the MVC to issue special Humane State license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Humane State license plates. After the deduction of the MVC's cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Humane State License Plate Fund." Fund proceeds are to be annually appropriated to the Animal Welfare Federation of New Jersey to be used to provide grants to county societies for the prevention of cruelty to animals for the shelter and care of animals.

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

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

#### FISCAL ANALYSIS

#### **EXECUTIVE BRANCH**

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

#### **OFFICE OF LEGISLATIVE SERVICES**

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

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

creation of the license plate program. Conversely, if the number of applications is equal to or greater than 500, the MVC will be able to recover its costs within no more than three years of the creation of the program.

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

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

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

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

Section: Authorities, Utilities, Transportation and Communications Analyst: Patrick Brennan Lead Fiscal Analyst Approved: Frank W. Haines III Legislative Budget and Finance Officer

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



# **Governor Murphy Takes Action on Legislation**

11/1/2018

**TRENTON** – Today, Governor Murphy signed the following bills into law: **A4674 (Coughlin/Sweeney**) - Clarifies intent of existing statutory law in regard to nomination process for those seeking federal offices.

S883 (Sacco, Stack/Eustace, Mukherji, Benson) - Authorizes issuance of special Humane State license plates.

**S2333 (Greenstein, Gordon/Lopez, Benson, Jones)** - Requires NJT to establish office of real estate economic development and transit-oriented development; requires annual report of certain real property information.

**S2758 w/GR (Vitale, Ruiz/Coughlin)** - Increases financial resources provided through Medicaid program for certain hospitals; Establishes County Option Hospital Fee Pilot Program.

**S2921 (Greenstein/Taliaferro, Carter, Caputo)** - Corrects project list in P.L.2018, c.85, which appropriates funds to DEP for environmental infrastructure projects.



https://www.state.nj.us/governor/news/news/562018/approved/20181101b.shtml[5/22/2019 10:20:49 AM]