

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

Matt Arco - For South Jersey Times, 'N.J. will soon have plates to honor historically Black fraternity', *South Jersey Times* (online), 8 Mar 2023 003

CL/JA

§§1,2
C.39:3-27.162
and 39:3-27.163
§3
Note

P.L. 2023, CHAPTER 15, *approved March 6, 2023*
Assembly, No. 978

1 AN ACT authorizing the issuance of Kappa Alpha Psi license plates
2 and supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

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

20 b. Application for issuance of Kappa Alpha Psi 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 Kappa Alpha Psi
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 "Kappa Alpha Psi License Plate Fund" created pursuant to
32 subsection c. of this section.

33 c. There is created in the Department of the Treasury a special
34 non-lapsing fund to be known as the "Kappa Alpha Psi License
35 Plate Fund." There shall be deposited in the fund the amount
36 collected from all license plate fees collected pursuant to subsection
37 b. of this section, less the amounts necessary to reimburse the
38 commission for administrative costs pursuant to subsection d. of
39 this section. Monies deposited in the fund shall be appropriated
40 annually to the Kappa Alpha Psi Fraternity, Inc. to be used to

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

11 d. Prior to the deposit of the additional fees collected pursuant
12 to subsection b. of this section into the "Kappa Alpha Psi License
13 Plate Fund," amounts thereof as are necessary shall be used to
14 reimburse the commission for all costs reasonably and actually
15 incurred, as stipulated by the chief administrator for:

16 (1) designing, producing, issuing, renewing, and publicizing the
17 availability of the Kappa Alpha Psi license plates; and

18 (2) any computer programming changes that may be initially
19 necessary to implement the Kappa Alpha Psi license plate program
20 in an amount not to exceed \$150,000.

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

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

34 e. The chief administrator shall notify eligible motorists of the
35 opportunity to obtain Kappa Alpha Psi license plates by publicizing
36 the availability of the license plates on the commission's website.
37 The Northeastern Province of Kappa Alpha Psi Fraternity, Inc., and
38 any other individual or entity designated by the Northeastern
39 Province of Kappa Alpha Psi Fraternity, Inc., may publicize the
40 availability of the Kappa Alpha Psi license plates in any manner
41 that the Northeastern Province of Kappa Alpha Psi Fraternity, Inc.
42 deems appropriate.

43 f. The chief administrator and the Northeastern Province
44 Polemarch of Kappa Alpha Psi Fraternity, Inc. shall develop and
45 enter into a memorandum of agreement setting forth the procedures
46 to be followed in carrying out their respective responsibilities under
47 P.L. , c. (C.) (pending before the Legislature as this bill).

1 g. The Northeastern Province Polemarch of Kappa Alpha Psi
2 Fraternity, Inc. shall appoint a representative who shall act as a
3 liaison between the Northeastern Province of Kappa Alpha Psi
4 Fraternity, Inc. and the commission. The liaison shall represent the
5 Northeastern Province of Kappa Alpha Psi Fraternity, Inc. in any
6 and all communications with the commission regarding the Kappa
7 Alpha Psi license plates established by P.L. , c. (C.)
8 (pending before the Legislature as this bill).

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

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

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

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

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

39 (1) The Northeastern Province of Kappa Alpha Psi Fraternity,
40 Inc., or an individual or entity designated by the Northeastern
41 Province of Kappa Alpha Psi Fraternity Inc., has provided the
42 commission with the money necessary, as determined by the chief
43 administrator pursuant to subsection b. of this section, to offset the
44 initial costs incurred by the commission in establishing the Kappa
45 Alpha Psi license plate program; and

46 (2) The liaison appointed by the Northeastern Province
47 Polemarch of Kappa Alpha Psi Fraternity, Inc. pursuant to
48 subsection g. of section 1 of P.L. , c. (C.) (pending before

1 the Legislature as this bill) has provided the commission with not
2 less than 500 completed applications for Kappa Alpha Psi license
3 plates. These applications shall constitute the initial order for Kappa
4 Alpha Psi license plates and shall be accompanied by a fee
5 representing the total cost of the initial order. The fee shall be
6 determined by multiplying the number of sets of license plates
7 being ordered by the applicable initial fee for each set of license
8 plates as set forth in subsection b. of section 1 of
9 P.L. , c. (C.) (pending before the Legislature as this bill).

10

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

20

21

22

23

24

Authorizes issuance of Kappa Alpha Psi license plates.

ASSEMBLY, No. 978

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

SYNOPSIS

Authorizes issuance of Kappa Alpha Psi license plates.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/8/2022)

1 AN ACT authorizing the issuance of Kappa Alpha Psi license plates
2 and supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

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

20 b. Application for issuance of Kappa Alpha Psi 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 Kappa Alpha Psi
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 "Kappa Alpha Psi License Plate Fund" created pursuant to
32 subsection c. of this section.

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

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

3 d. Prior to the deposit of the additional fees collected pursuant
4 to subsection b. of this section into the “Kappa Alpha Psi License
5 Plate Fund,” amounts thereof as are necessary shall be used to
6 reimburse the commission for all costs reasonably and actually
7 incurred, as stipulated by the chief administrator for:

8 (1) designing, producing, issuing, renewing, and publicizing the
9 availability of the Kappa Alpha Psi license plates; and

10 (2) any computer programming changes that may be initially
11 necessary to implement the Kappa Alpha Psi license plate program
12 in an amount not to exceed \$150,000.

13 The chief administrator shall annually certify to the State
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 Kappa
17 Alpha Psi license plates. The annual certification of the average
18 cost per license plate shall be approved by the Joint Budget
19 Oversight 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 Kappa Alpha Psi license plates.

26 e. The chief administrator shall notify eligible motorists of the
27 opportunity to obtain Kappa Alpha Psi license plates by publicizing
28 the availability of the license plates on the commission’s website.
29 The Northeastern Province of Kappa Alpha Psi Fraternity, Inc., and
30 any other individual or entity designated by the Northeastern
31 Province of Kappa Alpha Psi Fraternity, Inc., may publicize the
32 availability of the Kappa Alpha Psi license plates in any manner
33 that the Northeastern Province of Kappa Alpha Psi Fraternity, Inc.
34 deems appropriate.

35 f. The chief administrator and the Northeastern Province
36 Polemarch of Kappa Alpha Psi Fraternity, Inc. shall develop and
37 enter into a memorandum of agreement setting forth the procedures
38 to be followed in carrying out their respective responsibilities under
39 P.L. , c., (C.) (pending before the Legislature as this bill).

40 g. The Northeastern Province Polemarch of Kappa Alpha Psi
41 Fraternity, Inc. shall appoint a representative who shall act as a
42 liaison between the Northeastern Province of Kappa Alpha Psi
43 Fraternity, Inc. and the commission. The liaison shall represent the
44 Northeastern Province of Kappa Alpha Psi Fraternity, Inc. in any
45 and all communications with the commission regarding the Kappa
46 Alpha Psi license plates established by P.L. , c. (C.)
47 (pending before 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 Kappa Alpha Psi license plates; or
- 5 (2) any computer programming changes which may be
6 necessary to implement the Kappa Alpha Psi license plate program
7 established by P.L. , c. (C.) (pending before the
8 Legislature as this bill).
- 9 b. The Northeastern Province of Kappa Alpha Psi Fraternity,
10 Inc. or an individual or entity designated by the Northeastern
11 Province of Kappa Alpha Psi Fraternity, Inc., shall contribute non-
12 public monies in an amount to be determined by the chief
13 administrator, not to exceed a total of \$25,000, to be used to offset
14 the initial costs incurred by the commission for designing,
15 producing, issuing, and publicizing the availability of Kappa Alpha
16 Psi license plates, and any computer programming which may be
17 necessary to implement the program. Concerned organizations and
18 individual donors may contribute monies to the Northeastern
19 Province of Kappa Alpha Psi Fraternity, Inc. to be used to offset the
20 initial costs incurred by the commission for the Kappa Alpha Psi
21 license plates authorized by P.L. , c. (C.) (pending before
22 the Legislature as this bill). Any amount remaining after the
23 payment of the initial cost shall be deposited in the “Kappa Alpha
24 Psi License Plate Fund” established pursuant to subsection c. of
25 section 1 of P.L. , c. (C.) (pending before the Legislature
26 as this bill).
- 27 c. The commission shall not begin designing, producing,
28 issuing, or publicizing the availability of Kappa Alpha Psi license
29 plates, or making any necessary programming changes, until the
30 following requirements have been met:
- 31 (1) The Northeastern Province of Kappa Alpha Psi Fraternity,
32 Inc. or an individual or entity designated by the Northeastern
33 Province of Kappa Alpha Psi Fraternity Inc., has provided the
34 commission with the money necessary, as determined by the chief
35 administrator pursuant to subsection b. of this section, to offset the
36 initial costs incurred by the commission in establishing the Kappa
37 Alpha Psi license plate program; and
- 38 (2) The liaison appointed by the Northeastern Province
39 Polemarch of Kappa Alpha Psi Fraternity, Inc. pursuant to
40 subsection g. of section 1 of P.L. , c. (C.) (pending before
41 the Legislature as this bill) has provided the commission with not
42 less than 500 completed applications for Kappa Alpha Psi license
43 plates. These applications shall constitute the initial order for Kappa
44 Alpha Psi license plates and shall be accompanied by a fee
45 representing the total cost of the initial order. The fee shall be
46 determined by multiplying the number of sets of license plates
47 being ordered by the applicable initial fee for each set of license

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

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

13
14
15 STATEMENT

16
17 This bill authorizes the Chief Administrator of the New Jersey
18 Motor Vehicle Commission (commission) to issue special Kappa
19 Alpha Psi license plates.

20 Kappa Alpha Psi Fraternity, Inc. was founded on January 5, 1911
21 by 10 collegiate men at Indiana University to sow the seed of a
22 fraternal tree whose fruit is available to college men everywhere
23 regardless of their color, religion, or national origin. During this
24 time, many fraternities and athletic teams excluded people of color.
25 Kappa Alpha Psi gave African-American students an opportunity to
26 network with each other and bond over the discrimination they
27 faced. The fraternity has five core objectives: (1) to unite college
28 men of culture, patriotism, and honor, in a bond of fraternity; (2) to
29 encourage honorable achievement in every field of human
30 endeavor; (3) to promote spiritual, social, intellectual, and moral
31 welfare of its members; (4) to assist in the aims and purposes of
32 colleges and universities; and (5) to inspire service in the public
33 interest.

34 The bill provides that the design of the Kappa Alpha Psi license
35 plate is to display appropriate words or a slogan and an emblem
36 honoring the Kappa Alpha Psi Fraternity, Inc. The chief
37 administrator, in consultation with the Northeastern Province
38 Polemarch of Kappa Alpha Psi Fraternity, Inc., is to select the
39 design and color scheme of the Kappa Alpha Psi license plates.

40 In addition to all fees otherwise required by law for the
41 registration of a motor vehicle, there is an application fee of \$50
42 and an annual renewal fee of \$10 for the Kappa Alpha Psi license
43 plates. After the deduction of the cost of designing, producing,
44 issuing, renewing, and publicizing the plates and of any computer
45 programming changes that are necessary to implement the license
46 plate program, in an amount not to exceed \$150,000, the additional
47 fees will be deposited into a special non-lapsing fund known as the
48 “Kappa Alpha Psi License Plate Fund.” The proceeds of the fund

1 are to be annually appropriated to the Kappa Alpha Psi Fraternity,
2 Inc., to be used to support the organization's mission and programs.

3 The chief administrator is required to annually certify the
4 average cost of producing, issuing, renewing, and publicizing the
5 availability of the specialty license plates. If the average cost per
6 plate exceeds \$50 in two consecutive fiscal years, the chief
7 administrator may discontinue the Kappa Alpha Psi license plate
8 program. The bill also requires that the Northeastern Province
9 Polemarch of Kappa Alpha Psi Fraternity, Inc. appoint a liaison to
10 represent the Northeastern Province of Kappa Alpha Psi Fraternity,
11 Inc. (Northeastern Province) in all communications with the
12 commission regarding the Kappa Alpha Psi license plates.

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

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

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

ASSEMBLY TRANSPORTATION AND INDEPENDENT
AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 978

STATE OF NEW JERSEY

DATED: MARCH 10, 2022

The Assembly Transportation and Independent Authorities Committee reports favorably Assembly Bill No. 978.

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

The bill provides that the design of the Kappa Alpha Psi license plate would display appropriate words and an emblem honoring the Kappa Alpha Psi Fraternity, Inc. (Kappa Alpha Psi). The chief administrator, in consultation with the Northeastern Province Polemarch of Kappa Alpha Psi, would select the design and color scheme of the Kappa Alpha Psi license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, the bill provides an application fee of \$50 and an annual renewal fee of \$10 for each Kappa Alpha Psi license plate. Under the bill, these fee collections would first be used to reimburse the commission for certain costs incurred in the implementation of the license plate program. Thereafter, the additional fees would be deposited into a special non-lapsing fund, known as the "Kappa Alpha Psi License Plate Fund," which monies would be annually appropriated to Kappa Alpha Psi to support the organization's mission and programs.

The bill requires the chief administrator 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 Kappa Alpha Psi license plate program. The bill also requires the Northeastern Province Polemarch of Kappa Alpha Psi to appoint a liaison to represent the Northeastern Province of Kappa Alpha Psi (Northeastern Province) in all communications with the commission regarding the license plate program.

The bill provides that the commission may not use public funds to defray the initial costs of implementing the Kappa Alpha Psi license plate program. Instead, the bill requires the Northeastern Province or an individual or entity designated by the Northeastern Province to contribute non-public monies, not to exceed \$25,000, to

offset the initial costs to implement the program. The bill authorizes the Northeastern Province to receive funds from private sources to support these costs.

Under the bill, the commission is not required to design, produce, issue, or publicize the availability of the Kappa Alpha Psi license plates, or make any necessary programming changes, until: (1) the Northeastern Province or the individual or entity designated by the Northeastern Province has provided the commission with the money necessary to offset the initial costs of implementing the license plate program; and (2) the Northeastern Province liaison has provided the commission with a minimum of 500 completed applications for the Kappa Alpha Psi 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 Northeastern Province liaison. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received by that date.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 978

STATE OF NEW JERSEY

DATED: SEPTEMBER 29, 2022

The Senate Transportation Committee reports favorably Assembly Bill No. 978.

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

The bill provides that the design of the Kappa Alpha Psi license plate would display appropriate words and an emblem honoring the Kappa Alpha Psi Fraternity, Inc. (Kappa Alpha Psi). The chief administrator, in consultation with the Northeastern Province Polemarch of Kappa Alpha Psi, would select the design and color scheme of the Kappa Alpha Psi license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, the bill provides an application fee of \$50 and an annual renewal fee of \$10 for each Kappa Alpha Psi license plate. Under the bill, these fee collections would first be used to reimburse the commission for certain costs incurred in the implementation of the license plate program. Thereafter, the additional fees would be deposited into a special non-lapsing fund, known as the "Kappa Alpha Psi License Plate Fund," which monies would be annually appropriated to Kappa Alpha Psi to support the organization's mission and programs.

The bill requires the chief administrator 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 Kappa Alpha Psi license plate program. The bill also requires the Northeastern Province Polemarch of Kappa Alpha Psi to appoint a liaison to represent the Northeastern Province of Kappa Alpha Psi (Northeastern Province) in all communications with the commission regarding the license plate program.

The bill provides that the commission may not use public funds to defray the initial costs of implementing the Kappa Alpha Psi license plate program. Instead, the bill requires the Northeastern Province or an individual or entity designated by the Northeastern Province to contribute non-public monies, not to exceed \$25,000, to offset the initial costs to implement the program. The bill

authorizes the Northeastern Province to receive funds from private sources to support these costs.

Under the bill, the commission is not required to design, produce, issue, or publicize the availability of the Kappa Alpha Psi license plates, or make any necessary programming changes, until: (1) the Northeastern Province or the individual or entity designated by the Northeastern Province has provided the commission with the money necessary to offset the initial costs of implementing the license plate program; and (2) the Northeastern Province liaison has provided the commission with a minimum of 500 completed applications for the Kappa Alpha Psi 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 Northeastern Province liaison. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received by that date.

As reported, Assembly Bill No. 978 is identical to Senate Bill No. 2587, which was also amended and reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 978

STATE OF NEW JERSEY

DATED: JANUARY 19, 2023

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 978.

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

The bill provides that the design of the Kappa Alpha Psi license plate would display appropriate words and an emblem honoring the Kappa Alpha Psi Fraternity, Inc. (Kappa Alpha Psi). The chief administrator, in consultation with the Northeastern Province Polemarch of Kappa Alpha Psi, would select the design and color scheme of the Kappa Alpha Psi license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, the bill provides an application fee of \$50 and an annual renewal fee of \$10 for each Kappa Alpha Psi license plate. Under the bill, these fee collections would first be used to reimburse the commission for certain costs incurred in the implementation of the license plate program. Thereafter, the additional fees would be deposited into a special non-lapsing fund, known as the "Kappa Alpha Psi License Plate Fund," which monies would be annually appropriated to Kappa Alpha Psi to support the organization's mission and programs.

The bill requires the chief administrator 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 Kappa Alpha Psi license plate program. The bill also requires the Northeastern Province Polemarch of Kappa Alpha Psi to appoint a liaison to represent the Northeastern Province of Kappa Alpha Psi (Northeastern Province) in all communications with the commission regarding the license plate program.

The bill provides that the commission may not use public funds to defray the initial costs of implementing the Kappa Alpha Psi license plate program. Instead, the bill requires the Northeastern Province or an individual or entity designated by the Northeastern Province to contribute non-public monies, not to exceed \$25,000, to offset the initial costs to implement the program. The bill

authorizes the Northeastern Province to receive funds from private sources to support these costs.

Under the bill, the commission is not required to design, produce, issue, or publicize the availability of the Kappa Alpha Psi license plates, or make any necessary programming changes, until: (1) the Northeastern Province or the individual or entity designated by the Northeastern Province has provided the commission with the money necessary to offset the initial costs of implementing the license plate program; and (2) the Northeastern Province liaison has provided the commission with a minimum of 500 completed applications for the Kappa Alpha Psi 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 Northeastern Province liaison. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received by that date.

As reported, Assembly Bill No. 978 is identical to Senate Bill No. 2587 (1R), which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the Kappa Alpha Psi 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 Kappa Alpha Psi license plate.

The bill establishes the Kappa Alpha Psi 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 Kappa Alpha Psi license plate application fee in addition to a \$10 annual renewal fee for each Kappa Alpha Psi license plate. 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 Kappa Alpha Psi Fraternity, Inc.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 978
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: MARCH 21, 2022

SUMMARY

Synopsis: Authorizes issuance of Kappa Alpha Psi license plates.

Type of Impact: Annual State revenue and expenditure increases.

Agencies Affected: New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

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

- The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the Kappa Alpha Psi 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 Kappa Alpha Psi license plate.
- The bill establishes the Kappa Alpha Psi 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 Kappa Alpha Psi license plate application fee in addition to a \$10 annual renewal fee for each Kappa Alpha Psi license plate. 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 Kappa Alpha Psi Fraternity, Inc.

BILL DESCRIPTION

This bill authorizes the MVC to issue special Kappa Alpha Psi 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 Kappa Alpha Psi 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 Kappa Alpha Psi License Plate Fund. Fund proceeds are to be annually appropriated to the Kappa Alpha Psi Fraternity, Inc.

State or other public funds are not to be used for the initial cost to establish the Kappa Alpha Psi license plate program. Accordingly, the MVC is required to implement the program only if the following conditions are met in the first 12 months following the date of enactment: (1) an individual or entity designated by the Northeastern Province Polemarch of Kappa Alpha Psi Fraternity, Inc. has contributed non-public moneys, not to exceed \$25,000, to offset the MVC's initial cost to establish the program; and (2) the MVC has received a minimum of 500 completed applications for the Kappa Alpha Psi 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 pairs of 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 Kappa Alpha Psi license plate program in such a manner that the MVC may fully recover the expenses it incurs in administering the program. 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 Kappa Alpha Psi Fraternity, Inc. is required to provide up to \$25,000 and pre-register 500 applicants for the license plates. This requirement ensures that the MVC will be able to recover its initial costs in producing the license plates, and if enough funds are not provided, the MVC will not be required to produce the license plates. The payment of up to \$25,000 is required to come from private sources.

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 to produce specialty plates for the MVC is \$6.60 per pair, 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 specialty license plate program, which includes computer changes and the initial print run of 550 pairs of 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 Kappa Alpha Psi license plate sales. The remaining \$15,700 would either be recovered through the sale of additional Kappa Alpha Psi 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. Therefore, 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 Kappa Alpha Psi Fraternity, Inc. once the MVC has subtracted its costs in administering the program. The combination of guaranteed fee collection for the MVC and the limit on retaining any fees greater than its cost creates a scenario where there is likely to be no net fiscal impact to the MVC in the administration of this license plate program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Jeffrey Layden
Assistant Research Analyst*

*Approved: Thomas Koenig
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, No. 2587

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED MAY 12, 2022

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

Senator NIA H. GILL

District 34 (Essex and Passaic)

SYNOPSIS

Authorizes issuance of Kappa Alpha Psi license plates.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/29/2022)

1 AN ACT authorizing the issuance of Kappa Alpha Psi license plates
2 and supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

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

20 b. Application for issuance of Kappa Alpha Psi 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 Kappa Alpha Psi
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 "Kappa Alpha Psi License Plate Fund" created pursuant to
32 subsection c. of this section.

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

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

3 d. Prior to the deposit of the additional fees collected pursuant
4 to subsection b. of this section into the “Kappa Alpha Psi License
5 Plate Fund,” amounts thereof as are necessary shall be used to
6 reimburse the commission for all costs reasonably and actually
7 incurred, as stipulated by the chief administrator for:

8 (1) designing, producing, issuing, renewing, and publicizing the
9 availability of the Kappa Alpha Psi license plates; and

10 (2) any computer programming changes that may be initially
11 necessary to implement the Kappa Alpha Psi license plate program
12 in an amount not to exceed \$150,000.

13 The chief administrator shall annually certify to the State
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 Kappa
17 Alpha Psi license plates. The annual certification of the average
18 cost per license plate shall be approved by the Joint Budget
19 Oversight 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 Kappa Alpha Psi license plates.

26 e. The chief administrator shall notify eligible motorists of the
27 opportunity to obtain Kappa Alpha Psi license plates by publicizing
28 the availability of the license plates on the commission’s website.
29 The Northeastern Province of Kappa Alpha Psi Fraternity, Inc., and
30 any other individual or entity designated by the Northeastern
31 Province of Kappa Alpha Psi Fraternity, Inc., may publicize the
32 availability of the Kappa Alpha Psi license plates in any manner
33 that the Northeastern Province of Kappa Alpha Psi Fraternity, Inc.
34 deems appropriate.

35 f. The chief administrator and the Northeastern Province
36 Polemarch of Kappa Alpha Psi Fraternity, Inc. shall develop and
37 enter into a memorandum of agreement setting forth the procedures
38 to be followed in carrying out their respective responsibilities under
39 P.L. , c., (C.) (pending before the Legislature as this bill).

40 g. The Northeastern Province Polemarch of Kappa Alpha Psi
41 Fraternity, Inc. shall appoint a representative who shall act as a
42 liaison between the Northeastern Province of Kappa Alpha Psi
43 Fraternity, Inc. and the commission. The liaison shall represent the
44 Northeastern Province of Kappa Alpha Psi Fraternity, Inc. in any
45 and all communications with the commission regarding the Kappa
46 Alpha Psi license plates established by P.L. , c. (C.)
47 (pending before the Legislature as this bill).

S2587 TURNER, GILL

4

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 Kappa Alpha Psi license plates; or

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

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

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

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

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

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

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

13
14
15 STATEMENT

16
17 This bill authorizes the Chief Administrator of the New Jersey
18 Motor Vehicle Commission (commission) to issue special Kappa
19 Alpha Psi license plates.

20 Kappa Alpha Psi Fraternity, Inc. was founded on January 5, 1911
21 by 10 collegiate men at Indiana University to sow the seed of a
22 fraternal tree whose fruit is available to college men everywhere
23 regardless of their color, religion, or national origin. During this
24 time, many fraternities and athletic teams excluded people of color.
25 Kappa Alpha Psi gave African-American students an opportunity to
26 network with each other and bond over the discrimination they
27 faced. The fraternity has five core objectives: (1) to unite college
28 men of culture, patriotism, and honor, in a bond of fraternity; (2) to
29 encourage honorable achievement in every field of human
30 endeavor; (3) to promote spiritual, social, intellectual, and moral
31 welfare of its members; (4) to assist in the aims and purposes of
32 colleges and universities; and (5) to inspire service in the public
33 interest.

34 The bill provides that the design of the Kappa Alpha Psi license
35 plate is to display appropriate words or a slogan and an emblem
36 honoring the Kappa Alpha Psi Fraternity, Inc. The chief
37 administrator, in consultation with the Northeastern Province
38 Polemarch of Kappa Alpha Psi Fraternity, Inc., is to select the
39 design and color scheme of the Kappa Alpha Psi license plates.

40 In addition to all fees otherwise required by law for the
41 registration of a motor vehicle, there is an application fee of \$50
42 and an annual renewal fee of \$10 for the Kappa Alpha Psi license
43 plates. After the deduction of the cost of designing, producing,
44 issuing, renewing, and publicizing the plates and of any computer
45 programming changes that are necessary to implement the license
46 plate program, in an amount not to exceed \$150,000, the additional
47 fees will be deposited into a special non-lapsing fund known as the
48 “Kappa Alpha Psi License Plate Fund.” The proceeds of the fund

S2587 TURNER, GILL

6

1 are to be annually appropriated to the Kappa Alpha Psi Fraternity,
2 Inc., to be used to support the organization's mission and programs.

3 The chief administrator is required to annually certify the
4 average cost of producing, issuing, renewing, and publicizing the
5 availability of the specialty license plates. If the average cost per
6 plate exceeds \$50 in two consecutive fiscal years, the chief
7 administrator may discontinue the Kappa Alpha Psi license plate
8 program. The bill also requires that the Northeastern Province
9 Polemarch of Kappa Alpha Psi Fraternity, Inc. appoint a liaison to
10 represent the Northeastern Province of Kappa Alpha Psi Fraternity,
11 Inc. (Northeastern Province) in all communications with the
12 commission regarding the Kappa Alpha Psi license plates.

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

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

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

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 2587

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 29, 2022

The Senate Transportation Committee reports favorably and with committee amendments Senate Bill No. 2587.

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

The bill provides that the design of the Kappa Alpha Psi license plate would display appropriate words and an emblem honoring the Kappa Alpha Psi Fraternity, Inc. (Kappa Alpha Psi). The chief administrator, in consultation with the Northeastern Province Polemarch of Kappa Alpha Psi, would select the design and color scheme of the Kappa Alpha Psi license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, the bill provides an application fee of \$50 and an annual renewal fee of \$10 for each Kappa Alpha Psi license plate. Under the bill, these fee collections would first be used to reimburse the commission for certain costs incurred in the implementation of the license plate program. Thereafter, the additional fees would be deposited into a special non-lapsing fund, known as the "Kappa Alpha Psi License Plate Fund," which monies would be annually appropriated to Kappa Alpha Psi to support the organization's mission and programs.

The bill requires the chief administrator 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 Kappa Alpha Psi license plate program. The bill also requires the Northeastern Province Polemarch of Kappa Alpha Psi to appoint a liaison to represent the Northeastern Province of Kappa Alpha Psi (Northeastern Province) in all communications with the commission regarding the license plate program.

The bill provides that the commission may not use public funds to defray the initial costs of implementing the Kappa Alpha Psi license plate program. Instead, the bill requires the Northeastern Province or an individual or entity designated by the Northeastern

Province to contribute non-public monies, not to exceed \$25,000, to offset the initial costs to implement the program. The bill authorizes the Northeastern Province to receive funds from private sources to support these costs.

Under the bill, the commission is not required to design, produce, issue, or publicize the availability of the Kappa Alpha Psi license plates, or make any necessary programming changes, until: (1) the Northeastern Province or the individual or entity designated by the Northeastern Province has provided the commission with the money necessary to offset the initial costs of implementing the license plate program; and (2) the Northeastern Province liaison has provided the commission with a minimum of 500 completed applications for the Kappa Alpha Psi 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 Northeastern Province liaison. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received by that date.

The committee amended the bill to correct a reference to the Department of the Treasury and make other grammatical corrections.

As amended and reported, Senate Bill No. 2587 is identical to Assembly Bill No. 978, which was also reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2587

STATE OF NEW JERSEY

DATED: JANUARY 19, 2023

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2587 (1R).

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

The bill provides that the design of the Kappa Alpha Psi license plate would display appropriate words and an emblem honoring the Kappa Alpha Psi Fraternity, Inc. (Kappa Alpha Psi). The chief administrator, in consultation with the Northeastern Province Polemarch of Kappa Alpha Psi, would select the design and color scheme of the Kappa Alpha Psi license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, the bill provides an application fee of \$50 and an annual renewal fee of \$10 for each Kappa Alpha Psi license plate. Under the bill, these fee collections would first be used to reimburse the commission for certain costs incurred in the implementation of the license plate program. Thereafter, the additional fees would be deposited into a special non-lapsing fund, known as the “Kappa Alpha Psi License Plate Fund,” which monies would be annually appropriated to Kappa Alpha Psi to support the organization's mission and programs.

The bill requires the chief administrator 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 Kappa Alpha Psi license plate program. The bill also requires the Northeastern Province Polemarch of Kappa Alpha Psi to appoint a liaison to represent the Northeastern Province of Kappa Alpha Psi (Northeastern Province) in all communications with the commission regarding the license plate program.

The bill provides that the commission may not use public funds to defray the initial costs of implementing the Kappa Alpha Psi license plate program. Instead, the bill requires the Northeastern Province or an individual or entity designated by the Northeastern Province to contribute non-public monies, not to exceed \$25,000, to

offset the initial costs to implement the program. The bill authorizes the Northeastern Province to receive funds from private sources to support these costs.

Under the bill, the commission is not required to design, produce, issue, or publicize the availability of the Kappa Alpha Psi license plates, or make any necessary programming changes, until: (1) the Northeastern Province or the individual or entity designated by the Northeastern Province has provided the commission with the money necessary to offset the initial costs of implementing the license plate program; and (2) the Northeastern Province liaison has provided the commission with a minimum of 500 completed applications for the Kappa Alpha Psi 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 Northeastern Province liaison. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received by that date.

As reported by the committee, Senate Bill No. 2587 (1R) is identical to Assembly Bill No. 978, which also was reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the Kappa Alpha Psi 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 Kappa Alpha Psi license plate.

The bill establishes the Kappa Alpha Psi license plate program in such a manner that the MVC may fully recover the expenses incurred in administering the program. In response to a FY 2018 OLS Discussion Point, the MVC indicated that its upfront costs to establish a license plate program were \$65,700, including computer changes and the initial print run of 550 pairs of plates.

The MVC will receive a \$50 Kappa Alpha Psi license plate application fee in addition to a \$10 annual renewal fee for each Kappa Alpha Psi license plate. 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 Kappa Alpha Psi Fraternity, Inc.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2587 STATE OF NEW JERSEY 220th LEGISLATURE

DATED: OCTOBER 14, 2022

SUMMARY

Synopsis: Authorizes issuance of Kappa Alpha Psi license plates.

Type of Impact: Annual State revenue and expenditure increases.

Agencies Affected: New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

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

- The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications for the Kappa Alpha Psi 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 Kappa Alpha Psi license plate.
- The bill establishes the Kappa Alpha Psi license plate program in such a manner that the MVC may fully recover the expenses incurred in administering the program. In response to a FY 2018 OLS Discussion Point, the MVC indicated that its upfront costs to establish a license plate program were \$65,700, including computer changes and the initial print run of 550 pairs of plates.
- The MVC will receive a \$50 Kappa Alpha Psi license plate application fee in addition to a \$10 annual renewal fee for each Kappa Alpha Psi license plate. 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 Kappa Alpha Psi Fraternity, Inc.

BILL DESCRIPTION

This bill authorizes the MVC to issue special Kappa Alpha Psi 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 Kappa Alpha Psi 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 Kappa Alpha Psi License Plate Fund. Fund proceeds are to be annually appropriated to the Kappa Alpha Psi Fraternity, Inc.

State or other public funds are not to be used for the initial cost to establish the Kappa Alpha Psi license plate program. Accordingly, the MVC is required to implement the program only if the following conditions are met in the first 12 months following the date of enactment: (1) an individual or entity designated by the Northeastern Province Polemarch of Kappa Alpha Psi Fraternity, Inc. has contributed non-public moneys, not to exceed \$25,000, to offset the MVC's initial cost to establish the program; and (2) the MVC has received a minimum of 500 completed applications for the Kappa Alpha Psi 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 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 pairs of 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 Kappa Alpha Psi license plate program in such a manner that the MVC may fully recover the expenses it incurs in administering the program. 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 Kappa Alpha Psi Fraternity, Inc. is required to provide up to \$25,000 and pre-register 500 applicants for the license plates. This requirement ensures that the MVC will be able to recover its initial costs in producing the license plates, and if enough funds are not provided, the MVC will not be required to produce the license plates. The payment of up to \$25,000 is required to come from private sources.

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 to produce specialty plates for the MVC is \$6.60 per pair, 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 2018 OLS Discussion Point that it faced an upfront cost of \$65,700 to set up a specialty license plate program, which includes computer changes and the initial print run of 550 pairs of 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 Kappa Alpha Psi license plate sales. The remaining \$15,700 would either be recovered through the sale of additional Kappa Alpha Psi 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. Therefore, 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 Kappa Alpha Psi Fraternity, Inc. once the MVC has subtracted its costs in administering the program. The combination of guaranteed fee collection for the MVC and the limit on retaining any fees greater than its cost creates a scenario where there is likely to be no net fiscal impact to the MVC in the administration of this license plate program.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Amanda DeMarco
Assistant Research Analyst*

*Approved: Thomas Koenig
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.).

Governor Murphy Signs Legislation Authorizing Special License Plates for Kappa Alpha Psi Fraternity

03/6/2023

TRENTON – Governor Phil Murphy today signed legislation (A978) recognizing the contributions and achievements of Kappa Alpha Psi Fraternity, Inc. by issuing special license plates for members of the organization. Kappa Alpha Psi is the second oldest existing collegiate historically Black Greek Letter Fraternity and a member of the National Pan-Hellenic Council, also known as the Divine Nine. The legislation signed today authorizes the Chief Administrator of the New Jersey Motor Vehicle Commission to issue special license plates. The bill provides that the design of the Kappa Alpha Psi license plate would display appropriate words and an emblem honoring the fraternity.

Governor Murphy was joined today by Kappa Alpha Psi 34th Grand Polemarch Reuben A. Shelton III, Esq., Northeastern Province Polemarch Christopher J. White, Trenton Chapter Founding Member and Alumni Samuel Floyd, legislators, and Kappa Alpha Psi members, mentees, and alumni.

"I am proud to sign legislation authorizing the New Jersey Motor Vehicle Commission to issue special license plates for the distinguished members of Kappa Alpha Psi," **Governor Murphy**. "For 112 years, Kappa Alpha Psi has stood for progress, equality, and brotherhood. As a member of the Divine Nine, it has stood as a force for service efforts large and small and its members have made invaluable contributions across every facet of society. Today, we commend Kappa Alpha Psi's achievements and this keepsake to be proudly displayed by its members."

"The Kappa Alpha Psi Fraternity is one of the most respected fraternities in the state and in the country because of its members' dedication to brotherhood, strengthening civil rights," **said Lt. Governor Sheila Oliver, who serves as Commissioner of the New Jersey Department of Community Affairs**. "By issuing a Kappa Alpha Psi license plate, our state is recognizing this history of excellence and leadership, as well as members' contributions to creating positive change in their communities."

The Chief Administrator, in consultation with the Northeastern Province Polemarch of Kappa Alpha Psi, will select the design and color scheme of the Kappa Alpha Psi license plate. In addition to all fees otherwise required by law for the registration of a motor vehicle, the bill provides an application fee of \$50 and an annual renewal fee of \$10 for the Kappa Alpha Psi license plate. Under the bill, these fee collections would first be used to reimburse the commission for certain costs incurred in the implementation of the bill. Thereafter, the additional fees would be deposited into a special non-lapsing fund, known as the "Kappa Alpha Psi License Plate Fund," which monies would be used by Kappa Alpha Psi to support the organization's mission and programs.

"As one of the oldest Black fraternities in the country, recently celebrating 112 years of achievement, Kappa Alpha Psi is a proud organization that is a symbol of strength and community. Its members and alumni have made countless contributions to the fabric of our lives in New Jersey, and across the nation and world," **said Motor Vehicle Commission Acting Chief Administrator Latrecia Littles-Floyd**. "With this legislation, the MVC is eager to work with Kappa Alpha Psi to oversee the design and issue of the license plate, which will help commemorate the accomplishments of this historic fraternity in New Jersey."

"I am pleased and honored to attend this momentous occasion with the Governor and my Fraternity brothers today," **said 34th Grand Polemarch, Reuben A. Shelton III, President and CEO, Kappa Alpha Psi Fraternity**. "It is gratifying the State of New Jersey recognizes the significance and impact of Kappa Alpha Psi and the contributions of its members and alumni. Organizations that we proudly and affectionately proclaim as The D9. Kappa is rooted in community service and civic engagement. We pledge to help the Governor and the people of New Jersey in all endeavors that promote the welfare of its citizens."

"The Northeastern Province of Kappa Alpha Psi Fraternity, Incorporated is extremely thankful for the support from Governor Phil Murphy and the New Jersey Motor Vehicle Commission for S2587 that authorizes issuance of Kappa Alpha Psi license plates," **said Christopher J. Thompkins, Northeastern Province Polemarch**. "It is my distinct honor to witness the official signing of the bill into law by Governor Phil Murphy on Monday, March 6th, 2023."

"For 112 years, Kappa Alpha Psi has been a beacon of service," **said Polemarch Stephen White**. "As a member of this noble fraternity for 33 years, and a member of the Maplewood-Oranges Alumni, this is truly an exciting day! The signing of this license plate bill will show across the great state of New Jersey how the men of Kappa Alpha Psi strive for Achievement."

Sponsors of the legislation include Senators Shirley K. Turner and Nia H. Gill, and Assemblymembers Verlina Reynolds-Jackson and Benjie E. Wimberly.

"Kappa Alpha Psi has been a progressive and invaluable organization since its founding 112 years ago, and we are grateful for the positive change, leadership, and service to our communities," **said Senator Shirley Turner**. "I am proud to join in paying tribute to this national organization and the brothers of Kappa Alpha Psi, who do everything they do."

"This honor is a testament to the exceptional contributions of Kappa Alpha Psi and their impact on their communities," **said Senator Gill**. "The license plate recognizes the fraternity's hard work, dedication, and commitment to promoting academic excellence and leadership development. Congratulations to Kappa Alpha Psi for their recognition."

"Specialty license plates are a great way for residents to celebrate the issues and organizations that matter most to them," **said Assemblywoman Reynolds-Jackson**. "Kappa Alpha Psi—a fraternity created to give African American students an opportunity to network and bond over the discrimination they faced—boasts 112 years of continuous founding in 1911. Its members deserve the chance to display their pride in this manner."

"This is about giving recognition to an organization steeped in Black history that has given so many men in New Jersey, and across the country, the opportunity to serve their communities and build lasting relationships," **said Assemblyman Wimberly**. "Custom license plates will give Kappa Alpha Psi members in our state another way to honor their fraternity."

"I am extremely proud to see our Governor prioritize the signing of the bill to highlight the brothers of Kappa Alpha Psi, Inc. and shine a light on their contributions to our educational and general communities," **said Assemblywoman Carter, Co-Sponsor of the legislation**. "I look forward to seeing our new license plates in our Jersey roads."

"As a mentee of the Trenton Alumni Kappa League, I have seen firsthand how Kappa Alpha Psi makes an impact on their communities," **said Tajon Wadley**. "I would not be the person I am today. I am grateful for my mentors in the Trenton Alumni Kappa League and to Governor Murphy for establishing this license plate program."

The bill requires the Chief Administrator to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plate. It also requires the Northeastern Province Polemarch of Kappa Alpha Psi to appoint a liaison to represent the Northeastern Province of Kappa Alpha Psi in all communications regarding the license plate program.

Kappa Alpha Psi was founded on the campus of Indiana University on January 5, 1911. Kappa Alpha Psi is currently comprised of undergraduate and alumni chapters on college campuses and in cities throughout the country. It is the second oldest existing collegiate historically Black Greek Letter Fraternity and the first intercollegiate national body. The Fraternity has over 125,000 members, with 700 undergraduate and alumni chapters in nearly every state as well as international chapters.