ASSEMBLY, No. 4155

STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED NOVEMBER 23, 2009

Sponsored by:
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District 15 (Mercer)
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SYNOPSIS
Establishes 60-day amnesty period for certain motor vehicle surcharges.

CURRENT VERSION OF TEXT
As introduced.

(Sponsorship Updated As Of: 12/4/2009)
AN ACT concerning certain motor vehicle surcharges.

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

1. a. In addition to the provisions of the Motor Vehicle Violations Surcharge System established pursuant to section 6 of P.L.1983, c.65 (C.17:29A-35), and notwithstanding the provisions of any other law to the contrary, there is established a motor vehicle surcharge amnesty period. This period, which shall begin on the 60th day following the enactment of this act, shall be for a period of 60 days. During this amnesty period, a driver who has failed to pay any motor vehicle surcharges levied pursuant to paragraphs (1) or (3) of subsection b. of section 6 of P.L.1983, c.65 (C.17:29A-35) may pay the full principal amount of any such surcharges to the Chief Administrator of the New Jersey Motor Vehicle Commission without any interest that otherwise may be due and without any costs of collection that otherwise may be due. Notwithstanding the provisions of any other law to the contrary, no person shall be entitled to a waiver of any interest or cost of collection afforded under this subsection unless full payment of the motor vehicle surcharges due is made in accordance with rules and procedures established by the chief administrator. Full payment of the surcharges due shall constitute satisfaction of the applicable surcharge obligation. A driver who has been authorized by the chief administrator to pay a surcharge levied pursuant to paragraphs (1) or (3) of subsection b. of section 6 of P.L.1983, c.65 (C.17:29A-35) on an installment basis may participate in the amnesty established pursuant to this subsection. The amnesty afforded under this subsection shall not apply to surcharges levied pursuant to paragraph (2) of subsection b. of section 6 of P.L.1983, c.65 (C.17:29A-35) nor shall any driver who has any outstanding surcharges levied pursuant to that paragraph be eligible to participate in this amnesty.

b. There shall be imposed a penalty equal to five percent of the principal outstanding upon any motor vehicle surcharges which are eligible to be satisfied during the amnesty period established pursuant to subsection a. of this section, but which are not so satisfied during that amnesty period. This penalty shall be in addition to all other penalties, interest or costs of collection otherwise authorized by law upon those unsatisfied surcharges; provided, however, this five percent penalty shall not be assessed against any person who:

(1) prior to the effective date of this act, was authorized by the chief administrator to pay a surcharge on an installment basis; or

(2) during the 60-day amnesty period established under subsection a. of this section, was a member of the United States Armed Forces engaged in active military duty and provides
2. The moneys collected pursuant to section 1 of this act shall be deposited, as prescribed by law, in the “Unsafe Driving Surcharges Fund,” established pursuant to section 5 of P.L.2004, c.70 (C.34:1B-21.27) and the “Motor Vehicle Surcharges Revenue Fund,” established pursuant to section 6 of P.L.2004, c.70 (C.34:1B-21.28) shall be used, along with all the other amounts deposited in those funds, to pay the amounts required under the provisions of any bond resolutions authorizing the issuance of bonds or refunding bonds pursuant to the “Motor Vehicle Surcharges Securitization Act of 2004”, P.L.2004, c.70 (C.34:1B-21.23 et seq.) or any payment agreement contracted between the New Jersey Economic Development Authority created pursuant to P.L.1974, c.80 (34:1B-1 et seq.) and the State Treasurer in accordance with the provisions of section 7 of P.L.2004, c.70 (C.34:1B-21.29).

3. This act shall take effect immediately; provided, however, that section 1 shall expire at end of the 60th day of the amnesty period established under this act and section 2 shall expire June 30, 2010, and further provided that the State Treasurer and the Chief Administrator of the New Jersey Motor Vehicle Commission may take such anticipatory administrative action as shall be necessary for the implementation of this act.

STATEMENT

This bill establishes a 60-day motor vehicle surcharge amnesty program during which certain outstanding surcharges imposed under the New Jersey Motor Vehicle Violations Surcharge System be satisfied without interest or collection costs.

This amnesty applies only to those surcharges levied for accumulated motor vehicle points and those levied for motor vehicle violations or convictions for which points are not assessed. Drivers who, with the approval of the Chief Administrator of the New Jersey Motor Vehicle Commission, are paying these types of surcharges on an installment basis are eligible to participate in the program.

The amnesty does not apply to surcharges levied against drivers convicted of drunk driving or failing to consent to a chemical test to determine their blood alcohol content. Further, any driver whose outstanding surcharges include any levies imposed for a drunk driving conviction or a refusal to submit to a blood alcohol content test are not eligible to participate in this amnesty program.

During the amnesty period, a person who has an outstanding amnesty eligible surcharge may pay that surcharge without any
interest or collection costs being imposed, provided those outstanding surcharges are paid in full. Interest and collection costs will not be waived if the outstanding surcharges are not paid in full within the 60-day amnesty period.

The bill imposes a five percent penalty on those outstanding eligible surcharges that are not satisfied during the amnesty period. This penalty is in addition to all other penalties, interest or costs authorized by law. The five percent penalty will not be assessed against anyone who:

(1) is participating in a commission authorized installment payment program; or

(2) is on active military duty during the 60-day amnesty period.

These motor vehicle surcharge moneys securitize the State’s covenant to repay certain bonds and refunding bonds the State and the New Jersey Economic Development Authority have issued. The delinquent surcharge amounts collected during this amnesty period will be allocated to meet the costs needed to retire those securitized bonds and refunding bonds.

If the amount collected during this amnesty program exceeds the amount required to be paid under the “Motor Vehicle Surcharges Securitization Act,” P.L.2004, c.70 (C.34:1B-21.23 et seq.), the excess funds are to be transferred to the General Fund and made available for general State purposes.