ASSEMBLY CONCURRENT
RESOLUTION No. 1

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED DECEMBER 14, 2015

Sponsored by:
Assemblyman VINCENT PRIETO
District 32 (Bergen and Hudson)
Assemblyman JOHN S. WISNIEWSKI
District 19 (Middlesex)
Assemblyman TROY SINGLETON
District 7 (Burlington)
Assemblyman JOSEPH A. LAGANA
District 38 (Bergen and Passaic)
Assemblywoman L. GRACE SPENCER
District 29 (Essex)
Senator NICHOLAS J. SACCO
District 32 (Bergen and Hudson)
Senator JOSEPH PENNACCHIO
District 26 (Essex, Morris and Passaic)

Co-Sponsored by:
Assemblywoman Jimenez, Assemblyman Coughlin, Assemblywoman Jones and Assemblyman Eustace

SYNOPSIS
Amends State Constitution to dedicate all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.

CURRENT VERSION OF TEXT
As introduced.

(Sponsorship Updated As Of: 1/12/2016)
A CONCURRENT RESOLUTION proposing to amend Article VIII, Section II, paragraph 4 of the New Jersey Constitution.

BE IT RESOLVED by the General Assembly of the State of New Jersey (the Senate concurring):

1. The following proposed amendment to the Constitution of the State of New Jersey is agreed to:

PROPOSED AMENDMENT

Amend Article VIII, Section II, paragraph 4 to read as follows:

4. There shall be credited to a special account in the General Fund:

(a) for each State fiscal year commencing on and after July 1, 2007 through the State fiscal year commencing on July 1, 2015 an amount equivalent to the revenue derived from $0.105 per gallon from the tax imposed on the sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised Statutes, and for each State fiscal year thereafter, an amount equivalent to all revenue derived from the collection of the tax imposed on the sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised Statutes or any other subsequent law of similar effect;

(b) for the State fiscal year 2001 an amount not less than $100,000,000 derived from the State revenues collected from the tax on the gross receipts of the sale of petroleum products imposed pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and supplemented, or any other subsequent law of similar effect, [and] for each State fiscal year [thereafter] from State fiscal year 2002 through State fiscal year 2016 an amount not less than $200,000,000 derived from those revenues, and for each State fiscal year thereafter an amount equivalent to all revenue derived from the collection of the tax on the gross receipts of the sale of petroleum products imposed pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and supplemented, or any other subsequent law of similar effect; and

(c) for the State fiscal year 2002 an amount not less than $80,000,000 from the State revenue collected from the State tax imposed under the "Sales and Use Tax Act," pursuant to P.L.1966, c.30 (C.54:32B-1 et seq.), as amended and supplemented, or any other subsequent law of similar effect, for the State fiscal year 2003 an amount not less than $140,000,000 from those revenues, and for each State fiscal year thereafter an amount not less than $200,000,000 from those revenues;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
provided, however, the dedication and use of such revenues as provided in this paragraph shall be subject and subordinate to (a) all appropriations of revenues from such taxes made by laws enacted on or before December 7, 2006 in accordance with Article VIII, Section II, paragraph 3 of the State Constitution in order to provide the ways and means to pay the principal and interest on bonds of the State presently outstanding or authorized to be issued under such laws or (b) any other use of those revenues enacted into law on or before December 7, 2006. These amounts shall be appropriated from time to time by the Legislature, only for the purposes of paying or financing the cost of planning, acquisition, engineering, construction, reconstruction, repair and rehabilitation of the transportation system in this State and it shall not be competent for the Legislature to borrow, appropriate or use these amounts or any part thereof for any other purpose, under any pretense whatever.

(cf: Art. VIII, Sec. II, par. 4; amended effective December 7, 2006)

2. When this proposed amendment to the Constitution is finally agreed to pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election occurring more than three months after the final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate, the Speaker of the General Assembly and the Secretary of State, not less than three months prior to the general election.

3. This proposed amendment to the Constitution shall be submitted to the people at that election in the following manner and form:

There shall be printed on each official ballot to be used at the general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question as follows:

If you favor the proposition printed below make a cross (X), plus (+), or check (✔) in the square opposite the word "Yes." If you are opposed thereto make a cross (X), plus (+) or check (✔) in the square opposite the word "No."

b. In every municipality the following question:
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<thead>
<tr>
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<th>CONSTITUTIONAL AMENDMENT TO DEDICATE ADDITIONAL REVENUES TO STATE TRANSPORTATION SYSTEM</th>
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<tr>
<td></td>
<td>Do you approve amending the Constitution to dedicate all revenue from the State motor fuels tax and petroleum products gross receipts tax to the Transportation Trust Fund? This amendment would provide that an additional three cents of the current motor fuels tax on diesel fuel, which is not dedicated for transportation purposes, be dedicated to the Transportation Trust Fund. In doing so, the entire State tax on diesel fuel would be used for transportation purposes. The entire State tax on gasoline is currently dedicated to the Transportation Trust Fund and used for transportation purposes. The amendment would also provide that all of the revenue from the current State tax on petroleum products gross receipts be dedicated to the Transportation Trust Fund. In doing so, the entire State tax on petroleum products gross receipts would be used for transportation purposes. This amendment does not change the current tax on motor fuels or petroleum products gross receipts.</td>
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<tr>
<td>YES</td>
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<td>NO</td>
<td>INTERPRETIVE STATEMENT</td>
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|    | This amendment would dedicate all of the revenue from the State tax on motor fuels to the Transportation Trust Fund. The current dedication is 10.5 cents per gallon on gasoline and diesel fuel. The amendment would include an additional three cents of the tax on diesel fuel that is not currently dedicated. The total revenue from the tax on motor fuels this fiscal year is estimated to be $541 million.
|    | The amendment also dedicates all of the revenue from the tax on gross receipts of the sale of petroleum products to the Transportation Trust Fund. The current minimum dedication is $200 million per year. This fiscal year, the revenue from the tax on gross receipts of the sale of petroleum products is estimated to be $215 million.
|    | The amendment does not change the current tax on motor fuels or petroleum products gross receipts. The dedication to the Transportation Trust Fund ensures that the revenue is only used for transportation purposes. |

**STATEMENT**

This constitutional amendment dedicates all of the revenue from the motor fuels tax (gas tax) and the tax on the gross receipts of the sale of petroleum products (petroleum products tax) to the Transportation Trust Fund (trust fund).

The proposed constitutional dedication from the gas tax is equal to all of the revenues from the gas tax. In State fiscal year 2016, it is anticipated that the current gas tax will generate $541 million which is the amount generated by 10.5 cents per gallon on the sale of unleaded gasoline and 13.5 cents on the sale of diesel fuel. The current minimum dedication is 10.5 cents per gallon on the sale of unleaded gasoline and diesel fuel. This amendment dedicates the three cents of the existing motor fuels tax on diesel fuel that is not already dedicated.

Under the amendment, the constitutional dedication from the petroleum products tax is equal to all of the revenues from the tax on the gross receipts of the sale of petroleum products. The current
constitutional dedication from the tax on the gross receipts of petroleum products is a minimum of $200 million per year. In State fiscal year 2016, it is anticipated that the current petroleum products tax will generate $215 million. The amendment does not change the current gas tax or petroleum products tax. Constitutionally dedicating revenues from the gas tax and petroleum products tax to the trust fund ensures that the revenue is only used for transportation purposes.