

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 268

STATE OF NEW JERSEY

DATED: DECEMBER 5, 2019

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 268.

This bill, designated as the “P.I.C.K. Awareness Act,” authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special support recovery license plates.

The bill provides that the design of the support recovery license plate is to display an emblem, consisting of an image of a compass rose with cardinal direction indicators enclosed in a circle, and the words “SUPPORT RECOVERY” beneath the image. The chief administrator is to, in consultation with the Commissioner of Human Services and Parents in Connection for Kids, Inc., select the design and color scheme of the support recovery 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 support recovery license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the “Support Recovery License Plate Fund.” The proceeds of the fund are to be annually appropriated to the Division of Mental Health and Addiction Services (division) within the Department of Human Services to be used to secure permanent sober living housing for individuals who have completed substance abuse treatment or temporary sober living housing for individuals waiting to be placed in a substance abuse treatment program. The proceeds of the fund that are to be appropriated to the division are not to be provided to any individual seeking housing assistance but may be provided to housing facilities to be used as deposits or monthly rent payments for individuals seeking housing assistance.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the support recovery license plate program. The bill also requires that the Commissioner of Human Services appoint a liaison to

represent the department in all communications with the commission regarding the support recovery license plates.

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

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

The provisions of the bill will remain inoperative until the appropriate applications and fees required to offset the initial costs incurred by the commission are provided by the department's liaison. The bill expires after 12 months if sufficient applications and fees to offset the initial costs are not received by the commission.

As reported by the committee, this bill is identical to Senate Bill No. 469, as also reported by the committee.

FISCAL IMPACT:

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

The bill establishes the support recovery 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 as \$6.60, for a total cost of \$65,700.

The MVC will receive a \$50 support recovery license plate application fee in addition to a \$10 annual renewal fee. Initial fee collections will reimburse the MVC for the expenses it incurs in

administering the program. In addition, the MVC will have to receive an initial payment of up to \$25,000 and a minimum of 500 license plate applications for a total of \$50,000 to offset initial costs before license plate production begins. The MVC will then be permitted to retain additional fee amounts until its costs are fully reimbursed.

After the MVC's cost recovery, indeterminate excess application and renewal fee collections will be appropriated to the Department of Health (DOH) for sober living housing.