LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 1080
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: SEPTEMBER 17, 2018

SUMMARY

Synopsis: Establishes restricted use of driver's license endorsement for certain motor vehicle offenders with suspended license.

Type of Impact: Indeterminate State Expenditure Increase.
Indeterminate State, County, and Municipal Revenue Increase.

Agencies Affected: Department of Transportation; Motor Vehicle Commission; Counties and Municipalities.

Office of Legislative Services Estimate

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- The Office of Legislative Services (OLS) determines that the bill will potentially increase by indeterminate amounts: a) annual Motor Vehicle Commission (MVC) administrative expenses; b) annual MVC administrative fee collections; and c) annual State, county, and municipal motor vehicle traffic fine collections.

- The OLS does not have access to detailed information on the number of drivers who would qualify for the special endorsement or the cost to the New Jersey Motor Vehicle Commission (MVC) to implement the provisions of this bill. According to recent MVC reports, there were 714,584 suspension orders issued in 2016, 651,015 suspension orders issued in 2014, and 708,828 suspension orders issued in 2013. It is unknown how many of these orders may be DUI/DWI related and would not be eligible for this endorsement.

BILL DESCRIPTION

This bill establishes a restricted use driver’s license endorsement to a basic driver’s license for drivers whose licenses have been suspended or revoked for failure to pay certain motor vehicle surcharges or an accumulation of motor vehicle penalty points.
The bill authorizes a driver with a restricted use driver’s license endorsement to operate a motor vehicle exclusively between the driver’s residence and place of employment, as well during the person’s employment if necessary to perform his or her duties; an accredited educational institution; a mandated treatment program; a health care facility; or a child care facility.

Drivers may apply for the endorsement if their driver’s licenses have been suspended or revoked for failure to pay motor vehicle surcharges and they agree to a payment plan approved by the chief administrator, or for an accumulation of motor vehicle penalty points, but only if they attend a driver improvement program. The bill provides that a person who has been convicted of drunk driving or refusing to take a breathalyzer test has been assessed surcharges resulting from those convictions would not be eligible for an endorsement.

The bill requires the Chief Administrator of the New Jersey Motor Vehicle Commission to develop and issue an application for the restricted use driver’s license endorsement and to promptly issue the endorsement to applicants. If an applicant for an endorsement provides false information on the application, the applicant’s driver’s license is to be suspended or revoked for an additional year. The chief administrator may charge a fee of up to $25 for the endorsement. The endorsement is to expire when the person’s driver’s license is restored following the period of suspension or revocation.

The bill also establishes penalties for operating a motor vehicle between points other than those authorized by the endorsement. The endorsement is to be immediately forfeited and the driver is subject to a fine of not less than $500 or more than $1,000, community service for a period of 30 days, and an additional one year driver’s license suspension or revocation. A driver who is convicted of causing an accident resulting in personal injury or death to another person while driving between unauthorized points is subject to a fine of between $1,000 and $5,000, community service for a period of 30 days, and an additional two year driver’s license suspension or revocation. A driver who is convicted of drunk driving or refusing to take a breathalyzer while operating a motor vehicle between unauthorized points is subject to a fine of between $1,000 and $5,000 and an additional five years driver’s license suspension or revocation.

Under the bill, a person whose driver’s license is suspended or revoked after or within 10 years of the effective date of the bill would be eligible for an endorsement.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that the bill will potentially increase by indeterminate amounts: a) annual MVC administrative expenses; b) annual MVC administrative fee collections; and c) annual State, county, and municipal motor vehicle traffic fine collections. No additional fee or fine revenue will be collected during FY 2019, as the bill takes effect on the first day of the thirteenth month next following enactment. The MVC, however, may incur additional administrative expenses before then, as the bill authorizes the commission to prepare for the launch of the new restricted use driver’s license endorsement program.
State Cost Increase: The establishment and operation of a restricted use driver’s license endorsement program will add to the MVC’s annual administrative workload. The OLS, however, does not have pertinent information to determine the scale of the increase and whether or not the MVC will be able to absorb it within its existing resources.

State Revenue Increase: The bill creates two new potential State revenue streams: a) possible MVC administrative fee collections from an optional fee of up to $25 per restricted use driver’s license endorsement that the MVC may charge; and b) State General Fund collections from fines the bill establishes for violations of restricted use driver’s license endorsement conditions.

The OLS cannot quantify the revenue amount the MVC may collect from charging a fee up to $25 per restricted use driver’s license endorsement. It is unclear whether or not the MVC will use the bill’s authority to charge a fee, and, if so, at what amount.

In addition, the number of restricted use driver’s license endorsements is uncertain. According to recent MVC reports, there were 846,554 suspension orders issued in FY 2016 though the Administrative Office of the Courts, the Courts, and through Uninsured Motorist Suspensions. There were 714,584 suspension orders issued in 2016, 651,015 suspension orders issued in 2014, and 708,828 suspension orders issued in 2013. The 2015 number of suspension orders is not provided in the 2015 annual MVC reports. The MVC cited Actuals from the BB104 Annual Document as the source for this information. It is unknown how many of these orders may be DUI/DWI related and would not be eligible for this endorsement. Data on license revocations is not reported on the MVC’s website.

The State will also receive annual revenue from State-issued summons that result in fines for violations of restricted use driver’s license endorsement conditions. The OLS cannot quantify annual State fine collections, as the amounts will depend on the number, circumstances, and types of violations that are subject to State-issued summons as well as the State’s ability to collect these outstanding liabilities.

Local Revenue Increase: The bill will increase annual municipal and county revenue collections from municipality- and county-issued summons that will result in fines for violations of restricted use driver’s license endorsement conditions. Revenue from county- and municipality-issued summonses is divided evenly between the county and municipality in which the violation occurred. The OLS cannot quantify annual municipal and county fine collections, as the amounts will depend on the number, circumstances, and types of violations that are subject to municipality- and county-issued summonses as well as the ability of municipalities and counties to collect these outstanding liabilities.

Local Cost Impact: The OLS assumes that the bill will not raise municipal court operating expenditures. Since the bill’s penalties are likely to be administered only when the operator of a motor vehicle commits a separate motor vehicle offense, it is reasonable to assume that there will not be any court costs to administer the bill’s fines because the motor vehicle operator would already be facing a summons for the separate offense.
This fiscal estimate has been prepared pursuant to P.L. 1980, c.67 (C.52:13B-6 et seq.).