

LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

SENATE, No. 2579

STATE OF NEW JERSEY  
218th LEGISLATURE

DATED: AUGUST 1, 2018

SUMMARY

- Synopsis:**

Concerns use of digital parking meters to monitor parking compliance; establishes fund to encourage designated drivers.
- Type of Impact:**

Reoccurring State and Local Revenue and Expenditure Increases.  
Designated Drivers to Prevent Drunk Driving Fatalities Fund.
- Agencies Affected:**

Department of Law and Public Safety; Department of the Treasury;  
Counties and Municipalities.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Expenditure and Revenue Increase		Indeterminate	
Local Expenditure and Revenue Increase		Indeterminate	

- The Office of Legislative Services (OLS) finds that the bill may result in indeterminate increases in annual State, county, and municipal expenditures and revenues. The OLS, however, cannot assess the direction of the net effect of the increases which may offset any expenditures given the absence of information on the potential revenue collected from the use of digital parking meters or the revenue allocated to the established “Designated Drivers to Prevent Drunk Driving Fatalities Fund.”
- The Department of the Treasury is required to collect the surcharges from State or local government entities or parking authorities to deposit in the newly established "Designated Drivers to Prevent Drunk Driving Fatalities Fund." The Division of Highway Traffic Safety, in the Department of Law and Public Safety, is required to administer the newly established "Designated Drivers to Prevent Drunk Driving Fatalities Fund." Depending on the Department of Treasury’s and the division’s resource allocation policies, the added workload may or may not augment State administrative expenditures.
- The OLS determines that the State and any counties and municipalities participating may anticipate increased revenue which would initially offset the cost of the purchase of the

digital meters. Over time, the revenue may exceed the purchase and maintenance costs of the machines and potentially reduce the manpower needed to patrol parking spots.

## **BILL DESCRIPTION**

This bill authorizes a State or local government entity or parking authority to use a digital parking meter or other electronic parking compliance device to monitor parking and establishes the "Designated Drivers to Prevent Drunk Driving Fatalities Fund."

Under the bill, a State or local government entity or parking authority is permitted to utilize digital parking meters or other electronic parking compliance devices, to alert a law or parking code enforcement officer of a parking violation. The bill clarifies that the complaint-summons, if issued, is to be in compliance with the provisions of the State's Parking Offenses Adjudication Act.

The bill also requires an open application programming interface to be integrated into the digital parking meter or other electronic parking compliance device, that would allow the public to use a mobile application on a smartphone or tablet to pay meter or device fees; receive advanced notice of the expiration of the time on a meter or device; and replenish the time on the meter or device to the maximum allowable. The bill requires notice that the owner or operator is authorized to pay digital parking meter or other electronic device fees through use of a mobile application on a smartphone or tablet to be prominently displayed via signage, stickers, electronic display, or other method affixed to each meter or device. This notice is to be accompanied by a reference to information on how to download a mobile application to pay the fee.

The bill imposes a \$2 surcharge on parking violations resulting from a digital parking meter or other electronic parking compliance devices. These surcharge moneys are to be deposited into a separate, nonlapsing, dedicated account to be known as the "Designated Drivers to Prevent Drunk Driving Fatalities Fund." The fund is to be administered by the Division of Highway Traffic Safety in the Department of Law and Public Safety. The division is directed to use the moneys to establish a public awareness campaign to prevent drunk driving fatalities and injuries by promoting the use of designated drivers in this State. The moneys also are to be used to provide grants for the purposes of promoting designated driving, including sponsoring special community events, serving free non-alcoholic beverages to designated drivers, promoting student-produced video messages, distributing window decals and bumper stickers, and collecting designated driver pledges in partnership with schools and colleges, law enforcement, bars and taverns, and professional sports teams and stadiums.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS finds that the bill may result in indeterminate increases in annual State, county, and municipal expenditures and revenues. The OLS, however, cannot assess the direction of the net effect of the increases which may offset any expenditures given the absence of information on

the potential revenue collected from the use of digital parking meters or the revenue allocated to the established “Designated Drivers to Prevent Drunk Driving Fatalities Fund.” Depending on the division’s resource allocation policies, the added workload may or may not augment State administrative expenditures.

State Revenue Impacts: The OLS anticipates increased revenue from any State parking authorities that choose to utilize the digital meters and from revenue directed to the newly established "Designated Drivers to Prevent Drunk Driving Fatalities Fund."

State Expenditure Impacts: The OLS estimates that the State may incur additional expenditure increases in executing the provisions of this bill.

The Department of the Treasury is required to collect the surcharges from State or local government entities or parking authorities to deposit in the newly established "Designated Drivers to Prevent Drunk Driving Fatalities Fund." The bill may increase the department’s workload to administer this fund.

The Division of Highway Traffic Safety, in the Department of Law and Public Safety, is required to administer the newly established "Designated Drivers to Prevent Drunk Driving Fatalities Fund." The bill’s provisions require the division to additionally create a campaign to promote the use of designated drivers.

County and Municipal Revenue Impacts: The OLS determines that any participating counties and municipalities may anticipate increased revenue which would initially offset the cost of the purchase of the digital meters. Over time, the revenue may exceed the purchase and maintenance costs of the machines.

The OLS notes digital parking meters reportedly result in increased revenues as these meters can count and monitor every car that parks in the space, track coins, display how long a car has been at an expired meter, erase unused time, refuse parking payment beyond the expiration time, and can be programmed to allot any set amount of time.

The OLS does not have information on how many counties and municipalities would participate, if any, nor does the OLS have an estimate on the amount of revenue collected.

County and Municipal Expenditure Impacts: The bill may decrease costs to counties and municipalities associated with the administration, regulation, and enforcement of parking.

The digital meters may reduce expenditures by reducing manpower needed to enforce the parking spots. Digital meters may survey parking lots more efficiently, thereby lowering the cost of enforcement. Digital meters record such information as occupancy and vacancy time, and revenue generated.

*Section: Law and Public Safety*

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This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).