

FISCAL NOTE TO
ASSEMBLY, No. 1490
STATE OF NEW JERSEY

DATED: NOVEMBER 19, 1997

Assembly Bill No. 1490 of 1996 permits the Director of the Division of Motor Vehicles to utilize the comprehensive court enforcement program to streamline the collection of unpaid surcharges imposed administratively by the DMV under the New Jersey Merit Rating Plan.

The bill provides that surcharges imposed administratively by the DMV which have not been satisfied may be referred to the comprehensive enforcement program in accordance with the procedures to be established. All moneys collected through the comprehensive enforcement program which result from the collection of these surcharge monies shall be subject to the 25% deduction authorized pursuant to N.J.S.A.2B:19-4.

The bill provides that within 90 days after enactment the Director of the Division of Motor Vehicles and the Administrative Office of the Courts shall develop procedures for this referral. In addition, the bill removes the \$550,000 annual cap originally imposed on funding for the comprehensive enforcement program.

The Administrative Office of the Courts (AOC) states that each hearing officer could address approximately 49,500 cases per year, resulting in an estimated collection of about \$4.1 million. Of that amount, \$3.1 million (75 percent) would be paid to the beneficiaries of the DMV surcharges, while \$1 million (25 percent) would go into the Comprehensive Enforcement Program fund.

The AOC estimates that initially, one hearing officer would be required to operate the program, and the annual program cost would be \$314,000 during the first year of operation and \$294, 000 during the second year. The Office of Management and Budget notes that the remaining \$717,000 would be available to fund county labor assistance programs, enforced community service program and other programs involving the enhancement of collections efforts by the courts, including the establishment of the Comprehensive Automated Probation System, for a total annual, first year cost of about \$1 million.

The Office of Legislative Services concurs.

This fiscal note has been prepared pursuant to P.L.1980, c.67.