

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 96

with Senate committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 29, 1996

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 96 of 1996 with amendments.

Senate Bill No. 96, as amended, permits the Director of the Division of Motor Vehicles (DMV) to utilize the comprehensive court enforcement program, established on 1995, to collect unpaid surcharges imposed by the DMV. Surcharges are imposed by the DMV on high risk drivers convicted of drunk driving and multiple vehicle offenses. The surcharge collections are used generally to pay off the debt of the New Jersey Automobile Full Insurance Underwriting Association (an insurance pool established for high risk drivers), although the Fiscal Year 1996 annual appropriations act provides for the retention of a certain percentage by the State for deposit into the General Fund.

Under the bill, unpaid surcharges may be referred by the DMV to the comprehensive enforcement program. The comprehensive enforcement program may deduct 25% of the delinquent surcharges collected to fund the operations costs of the program.

The comprehensive court enforcement program was created in 1995 within the present structure of the Superior Court to provide for the enforcement of court orders and oversee the collection of court-ordered fines, assessments, surcharges and judgments in the civil, criminal and family divisions, in the tax court and in certain municipal court matters.

Finally, the bill removes the current \$550,000 annual cap on funding for the operations of the comprehensive enforcement program.

COMMITTEE AMENDMENTS

The committee amended the bill, with the approval of the sponsor, to clarify in the provision dealing with the promulgation of administrative regulations that delinquent surcharges may, rather than shall, be referred to the comprehensive court enforcement program. This amendment will make the provision consistent with the rest of the bill and the sponsor's intent.

FISCAL IMPACT

This bill will provide the Division of Motor Vehicles with an optional procedure for the collection of delinquent surcharges. The Division of Motor Vehicles, with the Administrative Office of the Courts, will promulgate the regulations that will determine how and when this option will be used. Therefore, the Office of Legislative Services cannot be estimated at this time how much in State revenues for the General Fund would be collected under the collection option provided in this bill.

However, the Administrative Office of the Courts has preliminarily estimated that with a few additions to the staff of the comprehensive court enforcement program and the handling of a certain number of cases per month by that staff, approximately \$4 million in surcharge revenues could be collected in the first full year of operation, with the program retaining 25% of that amount for the staff and operating costs of the program, the county labor assistance programs, the enforced community service program and other programs involving the enhancement of collection efforts by the courts, including the establishment of the Comprehensive Automated Probation System.