

SENATE, No. 922

STATE OF NEW JERSEY

INTRODUCED MARCH 14, 1996

By Senator KENNY

1 AN ACT concerning motor vehicle registration and renewal fees and
2 amending P.L.1990, c.8 and P.L.1984, c.73.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 68 of P.L.1990, c.8 (C.17:33B-63) is amended to read
8 as follows:

9 68. a. In addition to the registration fees imposed pursuant to
10 Article 2 of chapter 3 of Title 39 of the Revised Statutes, the Director
11 of the Division of Motor Vehicles shall impose and collect additional
12 registration fees as follows:

13 (1) For all motor vehicles, except commercial motor vehicles as
14 defined by R.S.39:1-1 that were manufactured in any model year prior
15 to the 1989 model year, the additional fee shall be \$15[, except that on
16 and after January 1, 1998 the additional fee shall be \$12.50, and on
17 and after January 1, 1999 the additional fee shall be \$10 and on and
18 after January 1, 2000 the additional fee shall be \$7.50];

19 (2) For all motor vehicles, except commercial motor vehicles as
20 defined by R.S.39:1-1, that were manufactured in model year 1989 and
21 thereafter, the additional fee shall be \$40[, except that on and after
22 January 1, 1998 the additional fee shall be \$33.50, and on and after
23 January 1, 1999 the additional fee shall be \$27 and on and after
24 January 1, 2000 the additional fee shall be \$20] for the first two years
25 of registration or renewal and \$15[, except that on and after January
26 1, 1998 the additional fee shall be \$12.50, and on and after January 1,
27 1999 the additional fee shall be \$10 and on and after January 1, 2000
28 the additional fee shall be \$7.50] for each year thereafter;

29 (3) For all commercial motor vehicles as defined in R.S.39:1-1, the
30 additional fee shall be \$75[, except that on and after January 1, 1998
31 the additional fee shall be \$62.50, and on and after January 1, 1999 the
32 additional fee shall be \$50 and on and after January 1, 2000 the
33 additional fee shall be \$37.50];

34 (4) Notwithstanding the provisions of paragraphs (1) through (3)

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 of this subsection, the additional fee on motorcycle registrations shall
2 be \$15 [, except that on and after January 1, 1998 the additional fee
3 shall be \$12.50, and on and after January 1, 1999 the additional fee
4 shall be \$10 and on and after January 1, 2000 the additional fee shall
5 be \$7.50] and [further provided] the additional registration fee on
6 noncommercial trucks registered pursuant to section 2 of P.L.1968,
7 c.429 (C.39:3-8.1) shall be \$50[, except that on and after January 1,
8 1997 the additional fee collected on noncommercial trucks registered
9 pursuant to section 2 of P.L.1968, c.429 (C.39:3-8.1) shall be \$15 for
10 any vehicle manufactured in any model year prior to the 1996 model
11 year and for any vehicle manufactured in the model year 1996 and
12 thereafter, the additional fee shall be \$40 for the first two years of
13 registration or renewal and \$15 for each year thereafter and on and
14 after January 1, 1998 the additional fee collected on noncommercial
15 trucks shall be collected pursuant to the provisions of paragraphs (1)
16 and (2) of this subsection];

17 (5) Notwithstanding the provisions of paragraphs (1) through (3)
18 of this subsection, there shall not be any additional fee imposed on any
19 vehicle registered pursuant to R.S.39:3-24.

20 b. Fees collected pursuant to subsection a. of this section shall be
21 collected on registrations issued and renewed on or after July 1, 1990
22 through December 31, 1996.

23 (1) Fees collected pursuant to subsection a. of this section prior to
24 October 1, 1991 shall be remitted to the New Jersey Automobile Full
25 Insurance Underwriting Association created by section 16 of
26 P.L.1983, c.65 (C.17:30E-4) and shall be income to the association for
27 purposes of section 20 of P.L.1983, c.65 (C.17:30E-8).

28 (2) Fees collected pursuant to subsection a. of this section on or
29 after October 1, 1991 [through December 31, 1996] shall be remitted
30 to the New Jersey Automobile Insurance Guaranty Fund created
31 pursuant to section 23 of this 1990 amendatory and supplementary act.

32 (3) [Fees collected pursuant to subsection a. of this section on and
33 after January 1, 1997, shall be remitted to the General Fund and so
34 much thereof as is required pursuant to section 20 of P.L.1984, c.73
35 (C.27:1B-20) shall be credited to the "Transportation Trust Fund
36 Account" created by section 20 of P.L.1984, c.73 (C.27:1B-20), such
37 credited funds to be used for transportation projects, pursuant to the
38 "New Jersey Transportation Trust Fund Authority Act of 1984,"
39 P.L.1984, c.73 (C.27:1B-1 et al.).] Deleted by amendment P.L.19 ,
40 c. (Now before the Legislature as this bill).

41 c. Notwithstanding any provision of subsection a. of this section to
42 the contrary, no fees shall be imposed pursuant to this section on a
43 registration for which no fee is presently collected pursuant to Article
44 2 of chapter 3 of Title 39 of the Revised Statutes or on a registration
45 for a motor vehicle, except commercial vehicles, if the registrant or,
46 in the case of a leased vehicle, the lessee is eligible for pharmaceutical

1 assistance to the aged and disabled pursuant to P.L.1975, c.194
2 (C.30:4D-20 et seq.). In the case of a leased vehicle, documentation
3 verifying that the vehicle will be leased for the registration term to a
4 lessee who is entitled to the exemption provided for in this subsection
5 shall be provided according to the requirements established by the
6 Director of the Division of Motor Vehicles. The lessor shall not
7 collect from the lessee any payment for the registration of the vehicle
8 that exceeds the amount that the lessor paid to register the vehicle.
9 (cf: P.L.1995, c.108, s.17)

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11 2. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to read
12 as follows:

13 20. There is hereby established in the General Fund an account
14 entitled "Transportation Trust Fund Account." During the fiscal year
15 beginning July 1, 1984 and during each succeeding fiscal year in which
16 the authority has bonds, notes or other obligations outstanding, the
17 treasurer shall credit to this account:

18 a. An amount equivalent to the revenue derived from \$0.025 per
19 gallon from the tax imposed on the sale of motor fuels pursuant to
20 chapter 39 of Title 54 of the Revised Statutes, as provided in Article
21 VIII, Section II, paragraph 4 of the State Constitution, provided,
22 however, such amount during any fiscal year shall not be less than
23 \$100,000,000;

24 b. After approval by the voters of the constitutional amendment
25 proposed in Senate Concurrent Resolution No. 2 of 1995 or Assembly
26 Concurrent Resolution No. 9 of 1995, in addition to the amount
27 credited in subsection a. of this section, for the fiscal year beginning
28 July 1, 1996 and the fiscal year beginning July 1, 1997, an amount
29 equivalent to the revenue derived from \$0.045 per gallon from the tax
30 imposed on the sale of motor fuels pursuant to chapter 39 of Title 54
31 of the Revised Statutes, provided, however, such amount shall not be
32 less than \$180,000,000 during each of those fiscal years, and for the
33 fiscal year beginning July 1, 1998, an amount equivalent to the revenue
34 derived from \$0.055 per gallon from the tax, provided, however, that
35 such amount shall not be less than \$220,000,000, and for the fiscal
36 year beginning July 1, 1999 and for each fiscal year thereafter, an
37 amount equivalent to the revenue derived from \$0.065 per gallon from
38 the tax, provided, however, that such amount shall not be less than
39 \$260,000,000 in any fiscal year, as provided in Article VIII, Section
40 II, paragraph 4 of the State Constitution; and

41 c. An amount equivalent to moneys received by the State in
42 accordance with contracts entered into with toll road authorities or
43 other State agencies, provided that effective with the fiscal year
44 beginning July 1, 1988, the amount so credited shall not be less than
45 \$24,500,000.00 in any fiscal year.

46 The treasurer shall also credit to this account, in accordance with

1 a contract between the treasurer and the authority, an amount
2 equivalent to the sum of the revenues due from the increase of fees for
3 motor vehicle registrations collected pursuant to the amendment to
4 R.S.39:3-20 made by this act and from the increase in the tax on diesel
5 fuels imposed pursuant to the amendment to R.S.54:39-27 made by
6 this act and by P.L.1987, c.460, provided that the total amount
7 credited during the fiscal year beginning July 1, 1984 shall not be less
8 than \$20,000,000.00 and that the total amount credited during the
9 fiscal year beginning July 1, 1985 and during every fiscal year
10 thereafter shall not be less than \$30,000,000.00.

11 In addition to the amounts credited to the account by this section,
12 commencing with the fiscal year beginning July 1, 1995 and every
13 fiscal year thereafter, there shall be appropriated from the General
14 Fund such additional amounts as are necessary to carry out the
15 provisions of this act [and after January 1, 1997 the fees collected
16 pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-63)
17 shall be available for crediting to the account for the purposes of this
18 act].

19 No later than the fifth business day of the month following the
20 month in which a credit has been made, the treasurer shall pay to the
21 authority, for its purposes as provided herein, the amounts then
22 credited to the Transportation Trust Fund Account, provided that the
23 payments to the authority shall be subject to and dependent upon
24 appropriations being made from time to time by the Legislature of the
25 amounts thereof for the purposes of the act.

26 (cf: P.L.1995, c.108, s.5)

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28 3. This act shall take effect immediately.

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STATEMENT

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33 This bill would amend section 68 of P.L.1990, c.8 (C.17:33B-63)
34 to provide that the motor vehicle registration and renewal fees
35 imposed by the "Fair Automobile Insurance Reform Act of 1990"
36 (FAIR act) and extended by P.L.1995, c.108, the renewal of the New
37 Jersey Transportation Trust Fund Authority, would be collected only
38 through December 31, 1996 as originally provided in the FAIR act.
39 The bill also amends section 20 of P.L.1984, c.73 (C.27:1B-20) to
40 delete reference to the crediting of these motor vehicle registration
41 and renewal fees to the Transportation Trust Fund Account.

42 The FAIR act imposed the additional motor vehicle registration and
43 renewal fees as one of the funding mechanisms for the Market
44 Transition Facility created by that act. These fees were temporary and
45 were to expire after December 31, 1996.

46 The law renewing the New Jersey Transportation Trust Fund

1 Authority, enacted in 1995, made these registration and renewal fees
2 permanent, but provided that the fees be reduced by at least 50 percent
3 over a period of years. P.L.1995, c.108 further provides that fees
4 collected after December 31, 1996 be remitted to the General Fund
5 and be available for crediting to the Transportation Trust Fund
6 Account to be used for transportation projects.

7 It is the sponsor's view that since the Governor's proposed budget
8 for the 1996-1997 fiscal year does not provide for crediting the
9 Transportation Trust Fund Account with the approximately \$28
10 million in registration and renewal fees to be collected between
11 January 1st and June 30th, 1997, collection of the fees should end as
12 originally provided in the FAIR act.

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17 Provides that certain motor vehicle registration and renewal fees
18 expire December 31, 1996.