

**SENATE, No. 3560**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED MARCH 15, 2021

**Sponsored by:**

**Senator PATRICK J. DIEGNAN, JR.**

**District 18 (Middlesex)**

**SYNOPSIS**

Authorizes MVC to enter into contract with private vendor for marketing and sale of certain license plates.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning contracts for the marketing and sale of certain  
2 license plates issued by the New Jersey Motor Vehicle  
3 Commission and supplementing Title 39 of the Revised Statutes.

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

7  
8 1. a. The New Jersey Motor Vehicle Commission may enter  
9 into a contract with the private vendor whose proposal is most  
10 advantageous to the State in accordance with paragraphs (6), (8),  
11 and (9) of subsection a. of section 13 of P.L.2003, c.13 (C.39:2A-  
12 13), as determined from competitive sealed proposals, for the  
13 marketing and sale of personalized, courtesy, or special license  
14 plates authorized by this Title, including license plates that the  
15 public may compete to obtain by auction.

16 b. Any contract that the commission enters into with a private  
17 vendor, in accordance with subsection a. of this section, shall be for  
18 a period of not less than five years with the initial contract term  
19 commencing upon the public advertisement of the license plate  
20 program with which private vendor is under contract, and shall be  
21 renewable for up to two additional contract terms for a period of not  
22 less than five years each in duration .,

23 c. Any contract that the commission enters into with a private  
24 vendor, in accordance with the provisions of subsection a. of this  
25 section, shall also provide for the commission to recover all costs  
26 incurred by the commission in implementing this section.

27 Under the contract the commission may require the private  
28 vendor to reimburse the commission in advance for:

29 (1) not more than one-half of the commission's anticipated costs  
30 in connection with the contract; and

31 (2) the commission's anticipated costs in connection with the  
32 introduction of a new personalized, courtesy, or specialty license  
33 plate, including any license plate that the public may compete to  
34 obtain by auction.

35 d. Instead of the fees and the license plate year terms for the  
36 registration of motor vehicles established for personalized,  
37 courtesy, and special license plates authorized by this Title,  
38 including license plates that the public may compete to obtain by  
39 auction, the commission may promulgate rules to establish fees and  
40 license plate year terms for the registration of motor vehicles for the  
41 issuance or renewal of personalized, courtesy, or special license  
42 plates, including license plates that the public may compete to  
43 obtain by auction, that are marketed and sold by the private vendor.  
44 Fees shall be reasonable and not less than the amounts necessary to  
45 allow the commission to recover all reasonable costs to the  
46 commission associated with the implementation and enforcement of  
47 the contract, including direct, indirect, and administrative costs.  
48 License plate year terms for the registration of motor vehicles shall

1 be offered at annual and various multi-year term lengths as  
2 approved by the commission. A fee established under this  
3 subsection shall be in addition to:

4 (1) the registration fee prescribed by this Title for the  
5 registration of a motor vehicle; and

6 (2) any renewal fee established for a special license plate by the  
7 provision of law that authorizes the issuance of the special license  
8 plate.

9 e. Any contract with a private vendor for the marketing and  
10 sale of personalized, courtesy, or special license plates, including  
11 license plates that the public may compete to obtain by auction, is  
12 payable only from amounts derived from the collection of the fees  
13 established under subsection d. of this section.

14 f. To the extent that specialty license plate fees collected under  
15 this section are in excess of the minimum amount required under  
16 subsections d. or e., the excess amount shall be deposited as a credit  
17 to the General Fund.

18 g. The commission may approve a new design and color  
19 combinations for personalized or courtesy license plates that are  
20 marketed and sold by a private vendor under a contract entered into  
21 with the private vendor pursuant to subsection a. of this section.  
22 Each approved license plate design and color combination shall  
23 remain the property of the commission and shall be in accordance  
24 with the provisions of R.S.39:3-33, section 1 of P.L.1954, c.221  
25 (C.39:3-33.2), section 2 of P.L.1989, c.202 (C.39:3-33.9), and the  
26 regulations promulgated pursuant thereto.

27 h. The commission may approve new design and color  
28 combinations for special license plates authorized by this Title,  
29 including license plates that the public may compete to obtain by  
30 auction, that are marketed and sold by a private vendor under a  
31 contract entered into with the private vendor pursuant to subsection  
32 a. of this section. Each approved license plate design and color  
33 combination shall remain the property of the commission and shall  
34 be in accordance with the provisions of R.S.39:3-33, section 1 of  
35 P.L.1954, c.221 (C.39:3-33.2), section 2 of P.L.1989, c.202  
36 (C.39:3-33.9), and the regulations promulgated pursuant thereto.

37 Nothing in this section shall be construed to authorize or permit:

38 (1) the commission to approve a design or color combination for  
39 a special license plate that is inconsistent with the design or color  
40 combination specified for the special license plate by the provision  
41 of law that authorizes the issuance of the special license plate; or

42 (2) the private vendor to market and sell a special license plate  
43 with a design or color combination that is inconsistent with the  
44 design or color combination specified by the provision of law that  
45 authorizes the issuance of the special license plate.

46 i. The commission may cancel a license plate or require the  
47 discontinuation of an approved license plate design or color  
48 combination that is marketed and sold by a private vendor under

1 contract at any time if the commission determines that the  
2 cancellation or discontinuation is in the best interest of this State or  
3 the motoring public.

4  
5 2. This act shall take effect on the first day of the month  
6 following enactment. The Chief administrator may take such  
7 administrative actions as may be necessary for the timely  
8 implementation of this act.

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11 STATEMENT

12  
13 This bill authorizes the New Jersey Motor Vehicle Commission  
14 (MVC) to enter into a contract with an experienced private vendor  
15 for the marketing and sale of personalized, courtesy, or special  
16 license plates, including plates that the public may compete to  
17 obtain by auction, for a period of not less than five years with the  
18 initial contract term commencing upon the public advertisement of  
19 the license plate program but may be renewed for up to two  
20 additional contract terms for a period of not less than five years  
21 each in duration.

22 Any contract that MVC enters into with a private vendor is  
23 required to provide for the recovery of all costs incurred by MVC in  
24 implementing the provisions of this bill but may also require that  
25 the private vendor reimburse MVC in advance for: not more than  
26 one-half of MVC's anticipated costs in connection with the contract;  
27 and MVC's anticipated costs in connection with the introduction of  
28 a new personalized, courtesy, or specialty license plate.

29 Under the bill, instead of the fees and the license plate year terms  
30 for the registration of motor vehicles established for personalized,  
31 courtesy, and special license plates authorized by statute, including  
32 plates that the public may compete to obtain by auction, the MVC  
33 may, by rule, establish fees and license plate year terms for the  
34 registration of motor vehicles for the issuance or renewal of  
35 personalized, courtesy, or special license plates, including plates  
36 that the public may compete to obtain by auction, that are marketed  
37 and sold by the private vendor. The fees are to be reasonable and  
38 not less than the amounts necessary to allow the MVC to recover all  
39 reasonable costs associated with the implementation and  
40 enforcement of the contract, including direct, indirect, and  
41 administrative costs. License plate year terms for the registration of  
42 motor vehicles are to be offered at annual and various multi-year  
43 term lengths as approved by the MVC. The fee is to be in addition  
44 to the registration fee prescribed by law for the registration of a  
45 motor vehicle; and any renewal fee established for a special license  
46 plate by the provision of law that authorizes the issuance of the  
47 special license plate.

1       The bill provides that any contract with a private vendor for the  
2       marketing and sale of personalized, courtesy, or special license  
3       plates, including plates that the public may compete to obtain by  
4       auction, is payable only from amounts derived from the collection  
5       of the fees established by the bill. Any fees collected in excess of  
6       the minimum fees established by MVC are to be deposited as a  
7       credit to the General Fund.

8       The bill also provides that the MVC may approve a new design  
9       and color combinations for personalized, courtesy, or special  
10      license plates, including plates that the public may compete to  
11      obtain by auction, that are marketed and sold by a private vendor  
12      under a contract entered into with the private vendor. Each  
13      approved license plate design and color combination remains the  
14      property of the MVC and is to be in accordance with the provisions  
15      of law and the regulations promulgated pursuant thereto concerning  
16      the style and form of license plates in this State.

17      Nothing in the bill, however, is to be construed to authorize or  
18      permit:

19      (1) the MVC to approve a design or color combination for a  
20      special license plate that is inconsistent with the design or color  
21      combination specified for the special license plate by the provision  
22      of law that authorizes the issuance of the special license plate; or

23      (2) the private vendor to market and sell a special license plate  
24      with a design or color combination that is inconsistent with the  
25      design or color combination specified by the provision of law that  
26      authorizes the issuance of the special license plate.

27      The bill permits the MVC to cancel a license plate or require the  
28      discontinuation of an approved license plate design or color  
29      combination that is marketed and sold by a private vendor under  
30      contract at any time if the MVC determines that the cancellation or  
31      discontinuation is in the best interest of this State or the motoring  
32      public.