

LEGISLATIVE FISCAL ESTIMATE
[First Reprint]
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2394
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: MARCH 1, 2023

SUMMARY

- Synopsis:** Clarifies procedures for restoration of driver's license after suspension or revocation; concerns waiver of penalties for operating vehicle while license is suspended or revoked under certain circumstances.
- Type of Impact:** Annual State expenditure increases and revenue decreases; annual local government expenditure and revenue decreases.
- Agencies Affected:** Motor Vehicle Commission, Judiciary, local governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Increase	Indeterminate
State Revenue Decrease	Indeterminate
Local Expenditure Decrease	Indeterminate
Local Revenue Decrease	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill will result in indeterminate annual State expenditure increases from the new notification requirements imposed on the Motor Vehicle Commission.
- The bill also may result in lower fine and fee revenues for local governments and the State, respectively, as the bill prohibits the court from imposing any fine or additional period of suspension or revocation for driving without a valid license or registration, provided that certain conditions are met by the driver. These conditions include the completion of the original period of suspension or revocation, the driver having no other suspensions or revocations that are open or for which the restoration fee is not paid, the driver not having any unsatisfied conditions ordered by the court for restoration of a license or registration, and the driver submitting proof of payment of the restoration to the court.

- Local governments also could experience a decrease in expenditures as fewer individuals will be sentenced to county jails for driving without a valid license or registration as the bill prohibits the court from imposing a term of imprisonment for these offenses, provided that the aforementioned conditions are met. Furthermore, current law provides for longer terms of imprisonment for certain violations involving the operation of a motor vehicle when a driver's license or registration is suspended or revoked. This bill makes the imposition of longer prison terms discretionary in certain circumstances.

BILL DESCRIPTION

This bill requires certain drivers whose license or motor vehicle registration are suspended or revoked to receive certain notices, and also concerns penalties for operating a vehicle while a driver's license or registration is suspended or revoked under certain circumstances. Upon suspension or revocation of a driver's license or registration for certain violations, the Motor Vehicle Commission is required to provide written notification to the driver:

- (1) of the period of suspension or revocation;
- (2) that the period of suspension or revocation will remain in effect until the licensee pays the restoration fee; and
- (3) that the driver's license will remain suspended or revoked until any additional conditions ordered by the court for restoration of the driver's license or registration are satisfied.

The bill further requires the commission to provide a licensee with proof of payment of the restoration fee upon receipt of the payment and other pertinent information.

Current law provides that a person operating a vehicle while the person's license or registration is suspended or revoked may incur penalties including additional suspensions, fines, and terms of imprisonment.

Under the bill, the courts would not be permitted to impose a term of imprisonment, fine, period of suspension, or revocation for a violation if:

- (1) the original period of suspension or revocation is complete;
- (2) the person has no other outstanding suspensions or revocations for which the period of suspension or revocation is incomplete or the restoration fee has not been paid;
- (3) the driver does not have any unsatisfied conditions ordered by the court for restoration of a license or registration; and
- (4) the person provides proof of payment of the restoration fee.

Lastly, current law provides for longer terms of imprisonment for certain violations involving the operation of a motor vehicle when a driver's license or registration is suspended or revoked. This bill makes the imposition of a longer term discretionary in certain circumstances.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill will result in indeterminate annual State expenditure increases from the new notification requirements imposed on the Motor Vehicle Commission. The bill requires the commission to provide written notice to drivers detailing certain information at the time their license or registration is suspended or revoked, and the commission is to provide drivers with proof of payment and other pertinent information when the restoration fee is paid by the licensee. The OLS does not have further information on the associated costs or the number of such notices the commission will need to provide annually.

Current law provides that drivers operating a vehicle while their license or registration is suspended or revoked may incur penalties including additional suspensions, fines, and terms of imprisonment. The bill prohibits the court from imposing any fine or additional period of suspension or revocation for driving without a valid license or registration, provided that certain conditions are met by the driver. These conditions include the completion of the original period of suspension or revocation, the driver having no other suspensions or revocations that are open or for which the restoration fee is not paid, the driver not having any unsatisfied conditions ordered by the court for restoration of a license or registration, and the driver submitting proof of payment of the restoration to the court. This may result in lower annual fine and restoration fee revenues for local governments and the State, respectively.

Local governments could potentially experience a decrease in expenditures as fewer individuals will be sentenced to county jails for driving without a valid license or registration as the bill prohibits the court from imposing a term of imprisonment for such offenses, provided that the aforementioned conditions are met. Furthermore, current law provides for longer terms of imprisonment for certain violations involving the operation of a motor vehicle when a driver's license or registration is suspended or revoked. This bill makes the imposition of longer prison terms discretionary in certain circumstances. The costs for housing inmates in a county jail vary, but according to certain estimates, it could be more than \$100 per day. For example, in 2021 when Union County closed its county jail and moved its inmates to the Essex County jail, Union County decided on a daily rate of \$104 per person. The OLS is unable to estimate the amount of local cost savings this bill will generate.

Section: Judiciary

Analyst: Anuja Pande Joshi
Senior Fiscal Analyst

Approved: Thomas Koenig
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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