

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1738

STATE OF NEW JERSEY

DATED: JUNE 4, 2026

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1738.

As reported, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue special Delta Sigma Theta Sorority, Inc. (Delta Sigma Theta) license plates.

The bill provides that the design of the Delta Sigma Theta license plate is to display appropriate words or a slogan and an emblem honoring the Delta Sigma Theta Sorority, Inc. The chief administrator would, in consultation with the Eastern Regional Director of Delta Sigma Theta, select the design and color scheme of the Delta Sigma Theta license plates.

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Delta Sigma Theta license plates. After the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, in an amount not to exceed \$150,000, the additional fees will be deposited into a special non-lapsing fund known as the "Delta Sigma Theta Sorority, Inc. License Plate Fund." The proceeds of the fund are to be annually appropriated to Delta Sigma Theta to be used to support the organization's mission and programs.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the availability of the specialty license plates. If the average cost per plate exceeds \$50 in two consecutive fiscal years, the chief administrator may discontinue the Delta Sigma Theta license plate program. The bill also requires that the Eastern Regional Director of Delta Sigma Theta appoint a liaison to represent the Eastern Region of Delta Sigma Theta (Eastern Region) in all communications with the commission regarding the Delta Sigma Theta license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the website of the commission. The Eastern Region, or an individual or entity designated by the Eastern Region, may also publicize the availability of the license plates in any manner the Eastern Region deems appropriate.

The bill provides that State or other public funds are not to be used by the commission for the initial cost to implement the Delta Sigma Theta license plate program. The bill requires the Eastern Region or an individual or entity designated by the Eastern Region to contribute non-public monies in an amount to be determined by the chief administrator, not to exceed \$25,000, to offset the initial costs to design, produce, issue, and publicize the license plates and for computer programming changes which may be necessary to implement the program. The bill authorizes the Eastern Region to receive funds from private sources to be used to offset the initial costs.

The chief administrator is not required to design, produce, issue, or publicize the availability of the Delta Sigma Theta license plates or make any necessary programming changes, until: (1) the Eastern Region or the individual or entity designated by the Eastern Region has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Delta Sigma Theta license plate program; and (2) the Eastern Region liaison has provided the commission with a minimum of 500 completed applications for the Delta Sigma Theta license plates.

This bill repeals an expired section of law authorizing the creation and issuance of Delta Sigma Theta license plates.

The provisions of the bill will remain inoperative until the first day of the seventh month after the appropriate applications and fees required to offset the initial costs incurred by the commission are provided to the commission. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received by that date.

As reported by the committee, Assembly Bill No. 1738 is identical to Senate Bill No. 3233, which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that the bill will produce annual State revenue and expenditure increases that will largely offset one another. The OLS cannot quantify the annual increases because it is unclear how many applications the New Jersey Motor Vehicle Commission will receive for the Delta Sigma Theta Sorority, Inc. license plate. However, the OLS notes that the commission is required to receive a minimum of 500 applications for the Delta Sigma Theta license plate to implement the bill.

The bill establishes the license plate program in such a manner that the commission may fully recover the expenses incurred in administering the program. The commission has indicated its initial cost of designing and establishing a new license plate series would be \$46,423, which is largely attributable to computer system changes and an initial print run of 900 plates.

The commission will receive a \$50 application fee and a \$10 annual renewal fee for the Delta Sigma Theta license plate. Initial fee collections will reimburse the commission for the expenses incurred in administering the program. In addition, the commission is required to receive an initial payment of up to \$25,000 and a minimum of 500 license plate applications, for a total collection of \$50,000 to offset initial costs before license plate production begins.

After the commission's cost recovery, indeterminate excess application renewal fee collections will be appropriated to Delta Sigma Theta.