

ASSEMBLY, No. 608

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JOHN DIMAIO

District 23 (Hunterdon, Somerset and Warren)

SYNOPSIS

Dedicates unencumbered revenue collected from motor vehicle fees and surcharges to Transportation Trust Fund.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** dedicating certain revenue from the collection of motor
2 vehicle fees and surcharges to the Transportation Trust Fund and
3 amending P.L.2003, c.13 and P.L.1984, c.73.

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

7
8 1. Section 105 of P.L.2003, c.13 (C.39:2A-36) is amended to
9 read as follows:

10 105. a. The first \$200,000,000 of fees and surcharges thereon
11 collected pursuant to the following statutes shall be considered
12 service charges which are revenues to be remitted to the New Jersey
13 Motor Vehicle Commission and the remainder shall be remitted to
14 the General Fund and the Transportation Trust Fund, as provided by
15 subsection e. of section 20 of P.L.1984, c.73 (C.27:1B-20),
16 provided that if the total amount of such fees and surcharges
17 collected, as verified by the relevant fiscal year New Jersey
18 Comprehensive Annual Financial Report, produce more or less
19 revenue than the sum of \$200,000,000 and the amount anticipated
20 in the fiscal year 2004 Appropriations Act for those statutes, then
21 the \$200,000,000 in revenue from those service charges to the
22 commission shall be increased or lowered proportionately:

23 Section 4 of P.L.1995, c.401 (C.12:7-73); section 24 of
24 P.L.1984, c.152 (C.12:7A-24); section 28 of P.L.1984, c.152
25 (C.12:7A-28); section 1 of P.L.1983, c.65 (C.17:29A-33); section 6
26 of P.L.1983, c.65 (C.17:29A-35); section 9 of P.L.1998, c.108
27 (C.27:5F-42); R.S.39:2-10; section 1 of P.L.1969, c.301 (C.39:3-
28 4b); section 2 of P.L.1969, c.301 (C.39:3-4c); R.S.39:3-8; section 2
29 of P.L.1968, c.439 (C.39:3-8.1); section 1 of P.L.1992, c.87
30 (C.39:3-8.2); R.S.39:3-10; section 23 of P.L.1975, c.180 (C.39:3-
31 10a); section 1 of P.L.1977, c.23 (C.39:3-10b); section 1 of
32 P.L.1979, c.261 (C.39:3-10f); section 22 of P.L.1990, c.103
33 (C.39:3-10.30); R.S.39:3-13; R.S.39:3-18; R.S.39:3-19; section 2 of
34 P.L.1974, c.162 (C.39:3-19.2); section 12 of P.L.1979, c.224
35 (C.39:3-19.5); R.S.39:3-20; section 1 of P.L.1973, c.319 (C.39:3-
36 20.1); R.S.39:3-21; R.S.39:3-24; R.S.39:3-25; R.S.39:3-26; section
37 2 of P.L.1964, c.195 (C.39:3-27.4); section 2 of P.L.1968, c.247
38 (C.39:3-27.6); section 2 of P.L.1977, c.369 (C.39:3-27.9); section 2
39 of P.L.1979, c.457 (C.39:3-27.16); section 2 of P.L.1981, c.139
40 (C.39:3-27.19); R.S.39:3-28; R.S.39:3-30; R.S.39:3-31; section 1 of
41 P.L.1961, c.77 (C.39:3-31.1); R.S.39:3-32; section 1 of P.L.1999,
42 c.192 (C.39:3-33a); section 1 of P.L.2001, c.35 (C.39:3-33b);
43 section 2 of P.L.1959, c.56 (C.39:3-33.4); section 4 of P.L.1959,
44 c.56 (C.39:3-33.6); R.S.39:3-36; section 1 of P.L.1979, c.314
45 (C.39:3-54.14); section 2 of P.L.1999, c.308 (C.39:3-75.2);

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 R.S.39:3-84; section 2 of P.L.1999, c.396 (C.39:3-84.7); section 3
2 of P.L.1973, c.307 (C.39:3C-3); section 10 of **[P.L. 1983]**
3 P.L.1983, c.105 (C.39:4-14.3j); section 23 of P.L.1983, c.105
4 (C.39:4-14.3w); R.S.39:4-26; R.S.39:4-30; section 11 of P.L.1985,
5 c.14 (C.39:4-139.12); section 1 of P.L.1972, c.38 (C.39:5-30.4);
6 section 31 of P.L.1994, c.60 (C.39:5-36.1); section 20 of P.L.1952,
7 c.173 (C.39:6-42); section 2 of P.L.1983, c.141 (C.39:6B-3);
8 R.S.39:7-3; section 3 of P.L.1975, c.156 (C.39:8-11); section 8 of
9 P.L.1975, c.156 (C.39:8-16); section 9 of P.L.1975, c.156 (C.39:8-
10 17); section 15 of P.L.1975, c.156 (C.39:8-23); section 5 of
11 P.L.1995, c.112 (C.39:8-45); section 7 of P.L.1995, c.112 (C.39:8-
12 47); section 12 of P.L.1995, c.112 (C.39:8-52); **[section 11 of**
13 **P.L.1995, c.157 (C.39:8-69);]** section 13 of P.L.1995, c.112
14 (C.39:8-53); section 14 of **[P.L. 1995]** P.L.1995, c.112 (C.39:8-
15 54); section 11 of P.L.1995, c.157 (C.39:8-69); R.S.39:10-11;
16 R.S.39:10-12; R.S.39:10-14; R.S.39:10-16; R.S.39:10-19;
17 R.S.39:10-25; section 5 of P.L.1983, c.323 (C.39:10-35); section 8
18 of P.L.1983, c.455 (C.39:10A-15); R.S.39:11-8; section 2 of
19 P.L.1951, c.216 (C.39:12-2); section 5 of P.L.1951, c.216
20 (C.39:12-5); and section 2 of P.L.1983, c.360 (C.39:13-2).

21 Proportional revenues remitted to the commission for the fiscal
22 years beginning July 1, 2004 and thereafter shall have the same
23 proportion as the proportional revenues remitted to the commission
24 for the fiscal year beginning July 1, 2003, and this calculation shall
25 not be impacted by the acceleration of revenue attributable to new
26 passenger automobile registrations implemented pursuant to
27 P.L.2004, c.64.

28 b. In addition to the proportionately increased or lowered
29 revenue provided for in subsection a. of this section, the
30 commission shall receive 100 percent of the revenues collected
31 from any new service charge and 100 percent of the increased
32 revenues collected from any existing service charge increased by
33 law or regulation. Any new or increased service charge shall not be
34 included in the calculation of the proportional revenue remitted to
35 the commission.

36 c. In addition to the revenues provided for in subsections a. and
37 b. of this section, all fees collected pursuant to **[Chapter]** chapter 3
38 of Title 39 of the Revised Statutes required to defray the costs of
39 the commission with respect to producing, issuing, renewing, and
40 publicizing license plates, or related computer programming shall
41 be considered revenues of the commission notwithstanding any
42 other provision of law.

43 d. Revenues of the commission shall not be subject to
44 appropriation as direct State services by the Legislature. In
45 addition, the revenues of the commission shall not be restricted
46 from use by the commission in any manner except as provided by

1 law. Revenues of the commission may be used in the furtherance of
2 any purpose of the commission or as otherwise provided for by law.
3 (cf: P.L.2007, c.335, s.15)
4

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

7 20. There is hereby established in the General Fund an account
8 entitled "Transportation Trust Fund Account," which shall consist
9 of three subaccounts entitled: "Transportation Trust Fund Account -
10 Subaccount for Debt Service for Prior Bonds," "Transportation
11 Trust Fund Account - Subaccount for Debt Service for
12 Transportation Program Bonds," and "Transportation Trust Fund
13 Account - Subaccount for Capital Reserves." During the fiscal year
14 beginning July 1, 1984 and during each succeeding fiscal year in
15 which the authority has bonds, notes, or other obligations
16 outstanding, the treasurer shall credit to the "Transportation Trust
17 Fund Account - Subaccount for Debt Service for Prior Bonds" a
18 portion of the revenues derived from the following, as determined
19 by the treasurer, and to the "Transportation Trust Fund Account -
20 Subaccount for Debt Service for Transportation Program Bonds"
21 and "Transportation Trust Fund Account - Subaccount for Capital
22 Reserves" only revenues dedicated pursuant to the New Jersey
23 Constitution, including Article VIII, Section II, paragraph 4, which
24 are also derived under subsection a. of this section and from the
25 petroleum products gross receipts and sales tax as set forth in
26 subsection d. of this section:

27 a. An amount equivalent to all revenue derived from the
28 collection of the tax imposed on the sale of motor fuels pursuant to
29 chapter 39 of Title 54 of the Revised Statutes, as provided in Article
30 VIII, Section II, paragraph 4 of the State Constitution;

31 b. (Deleted by amendment, P.L.2000, c.73) **[.]**

32 c. An amount equivalent to moneys received by the State in
33 accordance with contracts entered into with toll road authorities or
34 other State agencies, provided that effective with the fiscal year
35 beginning July 1, 1988 the amount so credited shall not be less than
36 \$24,500,000 in any fiscal year.

37 The treasurer shall also credit to the "Transportation Trust Fund
38 Account - Subaccount for Debt Service for Prior Bonds," in
39 accordance with a contract between the treasurer and the authority,
40 an amount equivalent to the sum of the revenues due from the
41 increase of fees for motor vehicle registrations collected pursuant to
42 the amendment to R.S.39:3-20 made by section 32 of P.L.1984,
43 c.73 and from the increase in the tax on diesel fuels imposed
44 pursuant to the amendment to R.S.54:39-27 made by section 35 of
45 P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section
46 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22
47 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-
48 103), provided that the total amount credited during the fiscal year

1 beginning July 1, 1984 shall not be less than \$20,000,000 and that
2 the total amount credited during the fiscal year beginning July 1,
3 1985 and during every fiscal year thereafter shall not be less than
4 \$30,000,000.

5 In addition to the amounts credited to the account by this section,
6 commencing with the fiscal year beginning July 1, 1995 and every
7 fiscal year thereafter, there shall be appropriated from the General
8 Fund such additional amounts as are necessary to carry out the
9 provisions of this act and beginning July 1, 2000 the fees collected
10 pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-
11 63) shall be credited to the account for the purposes of this act,
12 provided, however, the amount credited from such fees during any
13 fiscal year shall not be less than \$60,000,000.

14 d. In addition to the amount credited in subsection a. of this
15 section: beginning January 1 following approval by the voters an
16 amount equivalent to the revenue derived from the tax imposed on
17 the sale of petroleum products pursuant to P.L.1990, c.42
18 (C.54:15B-1 et seq.), provided, however, such amount shall not be
19 less than \$100,000,000 in the period January 1 through June 30
20 following approval by the voters and shall not be less than
21 \$200,000,000 in any fiscal year through the fiscal year commencing
22 July 1, 2015; and in the fiscal year commencing July 1, 2016, an
23 amount equivalent to all revenue derived from the sale of petroleum
24 products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in
25 each year thereafter; and for the fiscal year commencing July 1,
26 2001 and for each fiscal year thereafter an amount equivalent to the
27 revenue derived from the tax imposed under the "Sales and Use Tax
28 Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor
29 vehicles, provided, however, that such amount shall not be less than
30 \$200,000,000 for the fiscal year commencing July 1, 2003 and for
31 each fiscal year thereafter, as provided in Article VIII, Section II,
32 paragraph 4 of the State Constitution.

33 e. In addition to the amounts credited pursuant to subsections
34 a., c., and d. of this section:

35 (1) for the first fiscal year beginning after the effective date of
36 P.L. , c. (C.) (pending before the Legislature as this bill),
37 an amount equivalent to 20 percent of the revenue that is collected
38 pursuant to the statutory provisions enumerated in subsection a. of
39 section 105 of P.L.2003, c.13 (C.39:2A-36) but that is not remitted
40 to the New Jersey Motor Vehicle Commission pursuant to section
41 105 of P.L.2003, c.13 (C.39:2A-36);

42 (2) for the second fiscal year beginning after the effective date
43 of P.L. , c. (C.) (pending before the Legislature as this
44 bill), an amount equivalent to 40 percent of the revenue that is
45 collected pursuant to the statutory provisions enumerated in
46 subsection a. of section 105 of P.L.2003, c.13 (C.39:2A-36) but that
47 is not remitted to the New Jersey Motor Vehicle Commission
48 pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36);

1 (3) for the third fiscal year beginning after the effective date of
2 P.L. , c. (C.) (pending before the Legislature as this bill),
3 an amount equivalent to 60 percent of the revenue that is collected
4 pursuant to the statutory provisions enumerated in subsection a. of
5 section 105 of P.L.2003, c.13 (C.39:2A-36) but that is not remitted
6 to the New Jersey Motor Vehicle Commission pursuant to section
7 105 of P.L.2003, c.13 (C.39:2A-36);

8 (4) for the fourth fiscal year beginning after the effective date of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 an amount equivalent to 80 percent of the revenue that is collected
11 pursuant to the statutory provisions enumerated in subsection a. of
12 section 105 of P.L.2003, c.13 (C.39:2A-36) but that is not remitted
13 to the New Jersey Motor Vehicle Commission pursuant to section
14 105 of P.L.2003, c.13 (C.39:2A-36);

15 (5) for the fifth fiscal year beginning after the effective date of
16 P.L. , c. (C.) (pending before the Legislature as this bill)
17 and for each fiscal year thereafter, an amount equivalent to 100
18 percent of the revenue that is collected pursuant to the statutory
19 provisions enumerated in subsection a. of section 105 of P.L.2003,
20 c.13 (C.39:2A-36) but that is not remitted to the New Jersey Motor
21 Vehicle Commission pursuant to section 105 of P.L.2003, c.13
22 (C.39:2A-36).

23 No later than the fifth business day of the month following the
24 month in which a credit has been made, the treasurer shall pay to
25 the authority, for its purposes as provided herein, the amounts then
26 credited to the "Transportation Trust Fund Account - Subaccount
27 for Debt Service for Prior Bonds," "Transportation Trust Fund
28 Account - Subaccount for Debt Service for Transportation Program
29 Bonds," and "Transportation Trust Fund Account - Subaccount for
30 Capital Reserves," provided that the payments to the authority shall
31 be subject to and dependent upon appropriations being made from
32 time to time by the Legislature of the amounts thereof for the
33 purposes of the act, and further provided that the revenues
34 deposited into the "Transportation Trust Fund Account -
35 Subaccount for Debt Service for Transportation Program Bonds"
36 and "Transportation Trust Fund Account - Subaccount for Capital
37 Reserves" shall consist solely of revenues which are dedicated
38 pursuant to the New Jersey Constitution, including Article VIII,
39 Section II, paragraph 4, and subsections a. and d. of this section.

40 In the event that the amount of appropriations and other revenues
41 made available to the authority are greater than the amount of
42 appropriations and other revenues needed to meet the statutory
43 purposes of the authority in a fiscal year, any of those additional
44 amounts, which are dedicated pursuant to the New Jersey
45 Constitution, including Article VIII, Section II, paragraph 4, and
46 subsections a. and d. of this section, may be deposited into the
47 "Transportation Trust Fund Account - Subaccount for Capital
48 Reserves." Monies deposited in the "Transportation Trust Fund

1 Account - Subaccount for Capital Reserves” shall be held in reserve
2 as a means of ensuring the adequacy of funding to meet the future
3 statutory needs of the authority, and may be transferred to the other
4 subaccounts of the “Transportation Trust Fund Account” or to the
5 “Special Transportation Fund” through appropriation by the
6 Legislature for any statutory need of the authority.
7 (cf: P.L.2016, c.56, s.3)

8
9 3. This act shall take effect immediately.

10
11
12 STATEMENT

13
14 This bill dedicates revenue from the motor vehicle fees and
15 surcharges enumerated at N.J.S.A.39:2A-36 to the Transportation
16 Trust Fund. Currently, the revenue collected from the fees and
17 surcharges enumerated at N.J.S.A.39:2A-36 is remitted, subject to a
18 proportional split, to the New Jersey Motor Vehicle Commission
19 and the General Fund. This bill dedicates the portion of revenue
20 that would otherwise be remitted to the General Fund to the
21 Transportation Trust Fund. The dedication is to be phased in
22 according to the following schedule: 20 percent of the revenue in
23 the first fiscal year beginning after the bill’s effective date, 40
24 percent of the revenue in the second fiscal year, 60 percent of the
25 revenue in the third fiscal year, 80 percent of the revenue in the
26 fourth fiscal year; and 100 percent of the revenue in the fifth fiscal
27 year and each fiscal year thereafter.