

[First Reprint]

ASSEMBLY, No. 2350

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

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District 15 (Hunterdon and Mercer)

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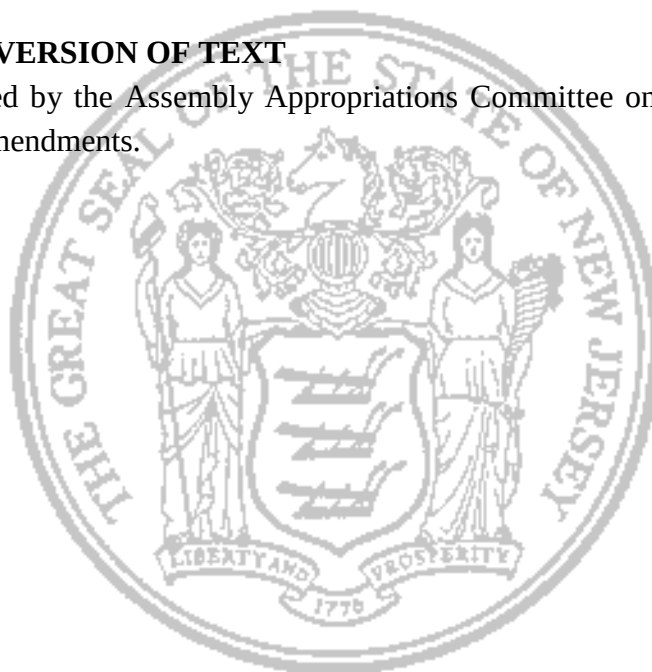
Assemblyman Moen, Assemblywomen Chaparro and Jasey

SYNOPSIS

Establishes program allowing certain applicants to perform community service in lieu of paying motor vehicle surcharges.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on December 13, 2021, with amendments.



(Sponsorship Updated As Of: 12/20/2021)

1 AN ACT concerning motor vehicle surcharges, supplementing Title
2 34 of the Revised Statutes, and amending P.L.1983, c.65.

3
4 BE IT ENACTED by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. (New section) a. There is created within the Department of
8 Labor and Workforce Development a “Motor Vehicle Surcharge
9 Community Service Program” to be administered by the
10 Commissioner of Labor and Workforce Development. The purpose
11 of the program is to allow a person who is unemployed and has
12 enrolled in an education or job training program to perform a
13 community service project in lieu of the payment of a motor vehicle
14 surcharge levied pursuant to paragraph (1), subparagraph (a) of
15 paragraph (2), or paragraph (3) of subsection b. of section 6 of
16 P.L.1983, c.65 (C.17:29A-35). In implementing the program, the
17 commissioner shall coordinate with the Chief Administrator of the
18 Motor Vehicle Commission to waive motor vehicle surcharges
19 imposed on applicants who complete a community service project
20 in participating counties and municipalities that have enrolled in the
21 program pursuant to subsection e. of this section.

22 b. An applicant’s eligibility for participation in the program
23 shall be based on an examination of the applicant’s income and
24 other financial resources. In order to be eligible for the program an
25 applicant shall demonstrate to the commissioner that the applicant:

26 (1) is unemployed;

27 (2) has been assessed and is unable to pay a motor vehicle
28 surcharge levied pursuant to paragraph (1), subparagraph (a) of
29 paragraph (2), or paragraph (3) of subsection b. of section 6 of
30 P.L.1983, c.65 (C.17:29A-35); and

31 (3) is enrolled in a job training or education program, or is in the
32 process of applying for a commercial driver license or endorsement.

33 c. The commissioner shall notify the chief administrator upon
34 an applicant’s entry into the program. If the driving privilege of an
35 applicant has been suspended for failure to pay surcharges, the chief
36 administrator shall reinstate the applicant’s driving privilege when
37 the applicant commences a community service project with a county
38 or municipality in accordance with subsection e. of this section. If
39 an applicant fails to complete the community service project, the
40 total motor vehicle surcharges levied and any interest accrued
41 **‘[thereon] on the surcharges’**¹ shall become **‘[due]’**¹ immediately
42 **‘due’**¹, and the driving privilege of the applicant shall be suspended
43 until the applicant satisfies the outstanding surcharge assessment.

44 d. An applicant who meets the criteria set forth under
45 subsection b. of this section and successfully completes a

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

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted December 13, 2021.

1 community service project shall receive a certification from the
2 commissioner. The certification shall be forwarded by the
3 commissioner to the chief administrator who shall waive the full
4 principal amount of any motor vehicle surcharge levied upon the
5 applicant pursuant to paragraph (1), subparagraph (a) of paragraph
6 (2), or paragraph (3) of subsection b. of section 6 of P.L.1983, c.65
7 (C.17:29A-35) and any interest accrued thereon.

8 e. The governing body of any county or municipality may
9 **'[apply to] enroll through'** the commissioner to participate in the
10 program. The application shall be made in accordance with
11 procedures and on forms prescribed by the commissioner and shall
12 indicate the eligible projects for which the volunteer labor is
13 requested. The eligible community service projects shall include,
14 but not be limited to, improvements to county and municipal
15 buildings, grounds, roads, streams, and other county or municipal
16 property.

17 As used in this **'[act] section'**, "improvements" means
18 construction, alteration, repair, litter abatement, renovation, or
19 maintenance of any county or municipal property.

20 The use of volunteer labor shall not displace or remove from
21 employment any paid public or private employee or in any manner
22 reduce the workforce within a county or municipality. An applicant
23 who meets the criteria established in subsection b. of this section
24 shall not be denied participation in the program due to a lack of
25 community service projects.

26 f. The commissioner shall promulgate, pursuant to the
27 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
28 seq.) rules and regulations as are necessary to implement the
29 provisions of this act. These rules and regulations shall include
30 provisions to establish guidelines for the types of community
31 service projects for which a county or municipality may apply.

32
33 2. Section 6 of P.L.1983, c.65 (C.17:29A-35) is amended to
34 read as follows:

35 a. (Deleted by amendment, P.L.1997, c.151.)

36 b. There is created a Motor Vehicle Violations Surcharge
37 System which shall apply to all drivers and shall include, but not be
38 limited to, the following provisions:

39 (1) (a) Surcharges shall be levied, beginning on or after January
40 1, 1984 but before the first day of the first month next following the
41 date the written notification required pursuant to subsection b. of
42 section 2 of P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the
43 State Treasurer and the Chief Administrator of the New Jersey
44 Motor Vehicle Commission, by the commission established by
45 section 4 of P.L.2003, c.13 (C.39:2A-4) on any driver who, in the
46 preceding 36-month period, has accumulated six or more motor
47 vehicle points, as provided in Title 39 of the Revised Statutes;
48 except that the allowance for a reduction of points in Title 39 of the

1 Revised Statutes shall not apply for the purpose of determining
2 surcharges under this paragraph. The accumulation of points shall
3 be calculated as of the date the point violation is posted to the driver
4 history record and shall be levied pursuant to rules promulgated by
5 the commission. Surcharges assessed pursuant to this paragraph
6 shall be \$150 for six points, and \$25 for each additional point. No
7 offense shall be selected for billing which occurred prior to
8 February 10, 1983. No offense shall be considered for billing in
9 more than three annual assessments.

10 The commission shall not select any offense for billing which
11 occurred on or after the first day of the first month next following
12 the date the written notification required pursuant to subsection b.
13 of section 2 of P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the
14 State Treasurer and the Chief Administrator of the New Jersey
15 Motor Vehicle Commission, and shall have no legal authority to
16 collect any surcharge, together with any interest and administrative
17 fees, that have been billed but remain unpaid, or that may be billed
18 and required to be paid, on or after the that date.

19 (b) (Deleted by amendment, P.L.1984, c.1.)

20 (2) (a) Surcharges shall be levied pursuant to subsection f. of
21 section 1 of P.L.2000, c.75 (C.39:4-97.2) for each offense of unsafe
22 driving under subsection a. of that section occurring on or after July
23 24, 2000 but before the first day of the first month next following
24 the date the written notification required pursuant to subsection b.
25 of section 2 of P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the
26 State Treasurer and the chief administrator of the commission. The
27 commission shall have no legal authority to collect any surcharge,
28 together with any interest and administrative fees, that have been
29 levied but remain unpaid, or that may be levied and required to be
30 paid, on or after that date.

31 (b) Surcharges shall be levied for convictions (i) under
32 R.S.39:4-50 for violations occurring on or after February 10, 1983
33 but before the first day of the first month next following the date the
34 written notification required pursuant to subsection b. of section 2
35 of P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the State
36 Treasurer and the chief administrator of the commission, and (ii)
37 under section 2 of P.L.1981, c.512 (C.39:4-50.4a), or for offenses
38 committed in other jurisdictions of a substantially similar nature to
39 those under R.S.39:4-50 or section 2 of P.L.1981, c.512 (C.39:4-
40 50.4a), for violations occurring on or after January 26, 1984 but
41 before the first day of the first month next following the date the
42 written notification required pursuant to subsection b. of section 2
43 of P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the State
44 Treasurer and the chief administrator of the commission. The
45 commission shall have no legal authority to collect any surcharge,
46 together with any interest and administrative fees, that have been
47 levied but remain unpaid, or that may be levied and required to be
48 paid, on or after that date.

1 Except as hereinafter provided, surcharges under this
2 subparagraph (b) shall be levied annually for a three-year period,
3 and shall be \$1,000 per year for each of the first two convictions,
4 for a total surcharge of \$3,000 for each conviction, and \$1,500 per
5 year for the third conviction occurring within a three-year period,
6 for a total surcharge of \$4,500 for the third conviction. If a driver is
7 convicted under both R.S.39:4-50 and section 2 of P.L.1981, c.512
8 (C.39:4-50.4a) for offenses arising out of the same incident, the
9 driver shall be assessed only one surcharge for the two offenses.

10 The commission, for good cause, may authorize payment of any
11 surcharge on an installment basis over a period not to exceed 36
12 months. If a driver fails to pay the surcharge or any installments on
13 the surcharge, the total surcharge shall become due immediately,
14 except as otherwise prescribed by rule of the commission.

15 The commission may authorize any person to pay the surcharge
16 levied under this section and collectible by the commission by use
17 of a credit card, debit card or other electronic payment device, and
18 the chief administrator is authorized to require the person to pay all
19 costs incurred by the commission in connection with the acceptance
20 of the credit card, debit card or other electronic payment device. If
21 a surcharge or related administrative fee is paid by credit or debit
22 cards or any other electronic payment device and the amount is
23 subsequently reversed by the credit card company or bank, the
24 driver shall be subject to the fee imposed for dishonored checks
25 pursuant to section 31 of P.L.1994, c.60 (C.39:5-36.1).

26 In addition to any other remedy provided by law, the commission
27 is authorized to utilize the provisions of the SOIL (Set off of
28 Individual Liability) program established pursuant to P.L.1981,
29 c.239 (C.54A:9-8.1 et seq.) to collect any surcharge levied under
30 this section and collectible by the commission that is unpaid on or
31 after the effective date of this act but before the first day of the first
32 month next following the date the written notification required
33 pursuant to subsection b. of section 2 of P.L.2019, c.301 (C.52:9S-
34 3.1) is transmitted to the State Treasurer and the chief administrator
35 of the commission. As an additional remedy, the commission may
36 issue a certificate to the Clerk of the Superior Court stating that the
37 person identified in the certificate is indebted under this surcharge
38 law in such amount as shall be stated in the certificate. The
39 certificate shall reference the statute under which the indebtedness
40 arises. Thereupon the clerk to whom such certificate shall have
41 been issued shall immediately enter upon the record of docketed
42 judgments the name of such person as debtor; the State as creditor;
43 the address of such person, if shown in the certificate; the amount
44 of the debt so certified; a reference to the statute under which the
45 surcharge is assessed, and the date of making such entries. The
46 docketing of the entries shall have the same force and effect as a
47 civil judgment docketed in the Superior Court, and the commission
48 shall have all the remedies and may take all of the proceedings for

1 the collection thereof which may be had or taken upon the recovery
2 of a judgment in an action, but without prejudice to any right of
3 appeal. Upon entry by the clerk of the certificate in the record of
4 docketed judgments in accordance with this provision, interest in
5 the amount specified by the court rules for post-judgment interest
6 shall accrue from the date of the docketing of the certificate,
7 however payment of the interest may be waived by the commission
8 or its designee. In the event that the surcharge remains unpaid
9 following the issuance of the certificate of debt and the commission
10 takes any further collection action including referral of the matter to
11 the Attorney General or his designee, the fee imposed, in lieu of the
12 actual cost of collection, may be 20 percent of surcharges of \$1,000
13 or more. The chief administrator or his designee may establish a
14 sliding scale, not to exceed a maximum amount of \$200, for
15 surcharge principal amounts of less than \$1,000 at the time the
16 certificate of debt is forwarded to the Superior Court for filing. The
17 commission shall provide written notification to a driver of the
18 proposed filing of the certificate of debt at least 10 days prior to the
19 proposed filing; such notice shall be mailed to the driver's last
20 address of record with the commission. Upon the filing of a
21 certificate of debt with the Clerk of the Superior Court, the
22 surcharged driver shall not be eligible for the restoration of his
23 driving privilege until at least five percent of each outstanding
24 surcharge assessment that has resulted in the suspension, including
25 interest and costs, if any, is paid to the commission. If a certificate
26 of debt is satisfied following a credit card payment, debit card
27 payment or payment by other electronic payment device and that
28 payment is reversed, a new certificate of debt shall be filed against
29 the surcharged driver unless the original is reinstated.

30 If the chief administrator or his designee approves a special
31 payment plan, of such duration as the chief administrator or his
32 designee deems appropriate, for repayment of the certificate of debt,
33 and the driver is complying with the approved plan, the plan may be
34 continued for any new surcharge not part of the certificate of debt.

35 A certificate of indebtedness shall not be issued for any
36 surcharge levied under this section and collectible by the
37 commission that remains unpaid on or after the first day of the first
38 month next following the date the written notification required
39 pursuant to subsection b. of section 2 of P.L.2019, c.301 (C.52:9S-
40 3.1) is transmitted to the State Treasurer and the chief administrator
41 of the commission. Any certificate issued on or before that date
42 shall be deemed to be satisfied by the commission. All
43 moneys collectible by the commission under subparagraph (b) of
44 paragraph (2) of this subsection shall be billed and collected by the
45 commission except as provided in P.L.1997, c.280 (C.2B:19-10 et
46 al.) for the collection of unpaid surcharges. Commencing on
47 September 1, 1996, or such earlier time as the Commissioner of
48 Banking and Insurance shall certify to the State Treasurer that

1 amounts on deposit in the New Jersey Automobile Insurance
2 Guaranty Fund are sufficient to satisfy the current and anticipated
3 financial obligations of the New Jersey Automobile Full Insurance
4 Underwriting Association, all surcharges collected by the
5 commission under subparagraph (b) of paragraph (2) of this
6 subsection shall be remitted to the Division of Motor Vehicles
7 Surcharge Fund:

8 (i) for transfer to the Market Transition Facility Revenue Fund,
9 as provided in section 12 of P.L.1994, c.57 (C.34:1B-21.12), for the
10 purposes of section 4 of P.L.1994, c.57 (C.34:1B-21.4) until such a
11 time as all the Market Transition Facility bonds, notes and
12 obligations and all Motor Vehicle Commission bonds, notes and
13 obligations issued pursuant to that section 4 of P.L.1994, c.57
14 (C.34:1B-21.4) and the costs thereof are discharged and no longer
15 outstanding; and

16 (ii) from and after the date of certification by the Commissioner
17 of Banking and Insurance that the moneys collectible under
18 subparagraph (b) of paragraph (2) of this subsection are no longer
19 needed to fund the association or at such time as all Market
20 Transition Facility bonds, notes and obligations and all Motor
21 Vehicle Commission bonds, notes and obligations issued pursuant
22 to section 4 of P.L.1994, c.57 (C.34:1B-21.4) and the costs thereof
23 are discharged and no longer outstanding, for transfer to the Motor
24 Vehicle Surcharges Revenue Fund established pursuant to section 6
25 of the "Motor Vehicle Surcharges Securitization Act of 2004,"
26 P.L.2004, c.70 (C.34:1B-21.28) to be applied as set forth in section
27 6 of that act. From and after such time as all bonds issued under
28 section 4 of the "Motor Vehicle Surcharges Securitization Act of
29 2004," P.L.2004, c.70 (C.34:1B-21.26) and the costs thereof are
30 discharged and no longer outstanding, all surcharges collected by
31 the commission under subparagraph (b) of paragraph (2) of this
32 subsection shall, subject to appropriation, be remitted to the New
33 Jersey Property-Liability Insurance Guaranty Association created
34 pursuant to section 6 of P.L.1974, c.17 (C.17:30A-6) to be used for
35 payment of any loans made by that association to the New Jersey
36 Automobile Insurance Guaranty Fund pursuant to paragraph (10) of
37 subsection a. of section 8 of P.L.1974, c.17 (C.17:30A-8); provided
38 that all such payments shall be subject to and dependent upon
39 appropriation by the State Legislature.

40 All surcharges collected by the courts pursuant to subparagraph
41 (a) of paragraph (2) of this subsection shall be forwarded not less
42 frequently than monthly to the Division of Revenue in the
43 Department of the Treasury. The Division of Revenue shall
44 transfer: all such surcharges received prior to July 1, 2006, to the
45 General Fund, and commencing July 1, 2006, all such surcharges to
46 the Unsafe Driving Surcharge Revenue Fund established pursuant
47 to section 5 of the "Motor Vehicle Surcharges Securitization Act of
48 2004," P.L.2004, c.70 (C.34:1B-21.27) to be applied as set forth in

1 section 5 of that act. From and after such time as all bonds
2 (including refunding bonds), notes and other obligations issued
3 under section 4 of the "Motor Vehicle Surcharges Securitization Act
4 of 2004," P.L.2004, c.70 (C.34:1B-21.26), and the costs thereof are
5 discharged and no longer outstanding, all such surcharges collected
6 by the courts pursuant to subparagraph (a) of paragraph (2) of this
7 subsection and forwarded to the Division of Revenue shall be
8 transferred to the General Fund.

9 Upon request, the Administrative Office of the Courts shall
10 provide a monthly report to the Division of Revenue containing
11 information on the number of convictions for the offense of unsafe
12 driving pursuant to section 1 of P.L.2000, c.75 (C.39:4-97.2) that
13 were entered during such month, the amount of the surcharges that
14 were assessed by the courts pursuant to subsection f. of section 1 of
15 P.L.2000, c.75 (C.39:4-97.2) for such month, and the amount of the
16 surcharges collected by the courts pursuant to subsection f. of
17 section 1 of P.L.2000, c.75 (C.39:4-97.2) during such month.

18 (3) In addition to any other authority provided in P.L.1983, c.65
19 (C.17:29A-33 et al.), the commissioner, after consultation with the
20 commission, is specifically authorized (a) (Deleted by amendment,
21 P.L.1994, c.64), (b) to impose, in accordance with subparagraph (a)
22 of paragraph (1) of this subsection b., surcharges for motor vehicle
23 violations or convictions for which motor vehicle points are not
24 assessed under Title 39 of the Revised Statutes, or (c) to reduce the
25 number of points for which surcharges may be assessed below the
26 level provided in subparagraph (a) of paragraph (1) of this
27 subsection b., except that the dollar amount of all surcharges levied
28 under the Motor Vehicle Violations Surcharge System shall be
29 uniform on a Statewide basis for each filer, without regard to
30 classification or territory. Surcharges adopted by the commissioner
31 on or after January 1, 1984 for motor vehicle violations or
32 convictions for which motor vehicle points are not assessable under
33 Title 39 of the Revised Statutes shall not be retroactively applied
34 but shall take effect on the date of the New Jersey Register in which
35 notice of adoption appears or the effective date set forth in that
36 notice, whichever is later.

37 c. No motor vehicle violation surcharges shall be levied on an
38 automobile insurance policy issued or renewed on or after January
39 1, 1984, except in accordance with the Motor Vehicle Violations
40 Surcharge System, and all surcharges levied thereunder shall be
41 assessed, collected and distributed in accordance with subsection b.
42 of this section.

43 d. (Deleted by amendment, P.L.1990, c.8.)

44 e. The Commissioner of Banking and Insurance and the
45 commission as may be appropriate, shall adopt any rules and
46 regulations necessary or appropriate to effectuate the purposes of
47 this section.

1 f. (1) Notwithstanding ¹the provision of¹ any other section of
2 law to the contrary, upon receiving a certification from the
3 Commissioner of Labor and Workforce Development that a person
4 has performed a community service project pursuant to the “Motor
5 Vehicle Surcharge Community Service Program” established by
6 section 1 of P.L. __, c. (C. __) (pending before the Legislature as
7 this bill) in lieu of the payment of a motor vehicle surcharge, the
8 chief administrator shall waive all surcharges levied pursuant to
9 paragraph (1), subparagraph (a) of paragraph (2), or paragraph (3)
10 of subsection b. of this section and any interest accrued thereon.

11 (2) Motor vehicle points assessed by the chief administrator
12 pursuant to section 1 of P.L.1982, c.43 (C.39:5-30.5) shall not be
13 affected by a driver’s participation in the “Motor Vehicle Surcharge
14 Community Service Program.”

15 (3) A driver who has any outstanding surcharges levied pursuant
16 to subparagraph (b) of paragraph (2) of subsection b. of this section
17 shall not be eligible to participate in the “Motor Vehicle Surcharge
18 Community Service Program.”

19 (cf: P.L.2019, c.301, s.3)

20

21 3. This act shall take effect on the first day of the sixth month
22 ¹next¹ following enactment.