

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2350

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 13, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2350, with committee amendments.

As amended, this bill establishes a “Motor Vehicle Surcharge Community Service Program,” administered by the Commissioner of Labor and Workforce Development. The program allows a person who is unemployed but has enrolled in an education or job training program to perform community service in lieu of paying motor vehicle surcharges. The bill requires the commissioner to coordinate with the Chief Administrator of the Motor Vehicle Commission (MVC) to waive motor vehicle surcharges imposed on applicants who complete a community service project in participating counties and municipalities.

To be eligible to participate in the program, the bill requires an applicant to demonstrate that the applicant is unemployed, has been assessed and is unable to pay a motor vehicle surcharge or surcharges, and is enrolled in a job training or education program. The process of applying for a commercial driver license or endorsement constitutes job training under the bill. If the driving privilege of an applicant has been suspended for failure to pay surcharges, the bill requires the chief administrator to reinstate the applicant’s driving privilege when the applicant commences the community services program. If an applicant fails to complete a community service project, the applicant’s total outstanding motor vehicle surcharges and any interest accrued become due immediately, and the bill directs that the applicant’s driving privilege be suspended until the applicant satisfies the outstanding surcharge assessment.

The bill allows the governing body of any county or municipality may apply to the Department of Labor and Workforce Development to participate in the program. The eligible community service projects are to include, but not be limited to, improvements to county and municipal buildings, grounds, roads, streams, and other county or municipal property, provided that the volunteer labor used by a municipality or county may not displace or remove from employment any paid public or private employee or in any way reduce the workforce within a county or municipality. The bill

further provides that a qualifying applicant may not be denied participation in the program due to a lack of volunteer labor projects.

After a person has completed a community service project under the program, the bill requires the chief administrator to waive all surcharges and interest levied for accumulated motor vehicle points and those levied for motor vehicle violations or convictions for which points are not assessed.

The bill provides that any driver whose outstanding surcharges include levies imposed for a drunk driving conviction or refusal to submit to a blood alcohol content test is not eligible to participate in this program.

As amended and reported by the committee, Assembly Bill No. 2350 (1R) is identical to Senate Bill No. 914 (SCS) which was also reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments make technical corrections in order to make the bill identical to Senate Bill No. 914 (SCS).

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that allowing individuals to have surcharges forgiven through community service will reduce the total surcharge revenues collected by the MVC. There is insufficient data upon which to base an estimate of the amount of surcharges potentially forgiven and resultant impact on total State revenue collections.

The community service that can be performed in lieu of surcharge payments are improvements to county and municipal assets that presumably would not have otherwise taken place, represent a benefit to the local governments, and indirectly reduce their costs. The Department of Labor and Workforce Development will face increased costs as a result of the staff labor needed to administer the community service program.