

SENATE, No. 914

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

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District 31 (Hudson)

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Senators Turner, Cruz-Perez, Pou and Gill

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



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 shall become due immediately, and the driving privilege of
42 the applicant shall be suspended until the applicant satisfies the
43 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.

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 the commissioner to participate in the program. The
10 application shall be made in accordance with procedures and on
11 forms prescribed by the commissioner and shall indicate the eligible
12 projects for which the volunteer labor is requested. The eligible
13 community service projects shall include, but not be limited to,
14 improvements to county and municipal buildings, grounds, roads,
15 streams, and other county or municipal property. As used in this
16 act, "improvements" means construction, alteration, repair, litter
17 abatement, renovation, or maintenance of any county or municipal
18 property.

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

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

31

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

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

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

38 (1) (a) Surcharges shall be levied, beginning on or after January
39 1, 1984, by the New Jersey Motor Vehicle Commission (hereinafter
40 the "commission") established by section 4 of P.L.2003, c.13
41 (C.39:2A-4) on any driver who, in the preceding 36-month period,
42 has accumulated six or more motor vehicle points, as provided in
43 Title 39 of the Revised Statutes; except that the allowance for a
44 reduction of points in Title 39 of the Revised Statutes shall not
45 apply for the purpose of determining surcharges under this
46 paragraph. The accumulation of points shall be calculated as of the
47 date the point violation is posted to the driver history record and
48 shall be levied pursuant to rules promulgated by the commission.

1 Surcharges assessed pursuant to this paragraph shall be **【\$150.00】**
2 \$150 for six points, and **【\$25.00】** \$25 for each additional point. No
3 offense shall be selected for billing which occurred prior to
4 February 10, 1983. No offense shall be considered for billing in
5 more than three annual assessments.

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

7 (2) (a) Surcharges shall be levied pursuant to subsection f. of
8 section 1 of P.L.2000, c.75 (C.39:4-97.2) for each offense of unsafe
9 driving under subsection a. of that section.

10 (b) Surcharges shall be levied for convictions (i) under
11 R.S.39:4-50 for violations occurring on or after February 10, 1983,
12 and (ii) under section 2 of P.L.1981, c.512 (C.39:4-50.4a), or for
13 offenses committed in other jurisdictions of a substantially similar
14 nature to those under R.S.39:4-50 or section 2 of P.L.1981, c.512
15 (C.39:4-50.4a), for violations occurring on or after January 26,
16 1984. Except as hereinafter provided, surcharges under this
17 subparagraph (b) shall be levied annually for a three-year period,
18 and shall be **【\$1,000.00】** \$1,000 per year for each of the first two
19 convictions, for a total surcharge of \$3,000 for each conviction, and
20 **【\$1,500.00】** \$1,500 per year for the third conviction occurring
21 within a three-year period, for a total surcharge of \$4,500 for the
22 third conviction. If a driver is convicted under both R.S.39:4-50 and
23 section 2 of P.L.1981, c.512 (C.39:4-50.4a) for offenses arising out
24 of the same incident, the driver shall be assessed only one surcharge
25 for the two offenses.

26 If, upon written notification from the commission or its designee,
27 mailed to the last address of record with the commission, a driver
28 fails to pay a surcharge levied under this section and collectible by
29 the commission, the driving privilege of the driver shall be
30 suspended forthwith until at least five percent of each outstanding
31 surcharge assessment that has resulted in suspension is paid to the
32 commission; except that the commission may authorize payment of
33 the surcharge on an installment basis over a period of 12 months for
34 assessments under \$2,300 or 24 months for assessments of \$2,300
35 or more. The commission, for good cause, may authorize payment
36 of any surcharge on an installment basis over a period not to exceed
37 36 months. If a driver fails to pay the surcharge or any installments
38 on the surcharge, the total surcharge shall become due immediately,
39 except as otherwise prescribed by rule of the commission.

40 The commission may authorize any person to pay the surcharge
41 levied under this section and collectible by the commission by use
42 of a credit card, debit card or other electronic payment device, and
43 the administrator is authorized to require the person to pay all costs
44 incurred by the commission in connection with the acceptance of
45 the credit card, debit card or other electronic payment device. If a
46 surcharge or related administrative fee is paid by credit or debit
47 cards or any other electronic payment device and the amount is
48 subsequently reversed by the credit card company or bank, the

1 driving privilege of the surcharged driver shall be suspended and
2 the driver shall be subject to the fee imposed for dishonored checks
3 pursuant to section 31 of P.L.1994, c.60 (C.39:5-36.1).

4 In addition to any other remedy provided by law, the commission
5 is authorized to utilize the provisions of the SOIL (Set off of
6 Individual Liability) program established pursuant to P.L.1981,
7 c.239 (C.54A:9-8.1 et seq.) to collect any surcharge levied under
8 this section and collectible by the commission that is unpaid on or
9 after the effective date of this act. As an additional remedy, the
10 commission may issue a certificate to the Clerk of the Superior
11 Court stating that the person identified in the certificate is indebted
12 under this surcharge law in such amount as shall be stated in the
13 certificate. The certificate shall reference the statute under which
14 the indebtedness arises. Thereupon the clerk to whom such
15 certificate shall have been issued shall immediately enter upon the
16 record of docketed judgments the name of such person as debtor;
17 the State as creditor; the address of such person, if shown in the
18 certificate; the amount of the debt so certified; a reference to the
19 statute under which the surcharge is assessed, and the date of
20 making such entries. The docketing of the entries shall have the
21 same force and effect as a civil judgment docketed in the Superior
22 Court, and the commission shall have all the remedies and may take
23 all of the proceedings for the collection thereof which may be had
24 or taken upon the recovery of a judgment in an action, but without
25 prejudice to any right of appeal. Upon entry by the clerk of the
26 certificate in the record of docketed judgments in accordance with
27 this provision, interest in the amount specified by the court rules for
28 post-judgment interest shall accrue from the date of the docketing
29 of the certificate, however payment of the interest may be waived
30 by the commission or its designee. In the event that the surcharge
31 remains unpaid following the issuance of the certificate of debt and
32 the commission takes any further collection action including
33 referral of the matter to the Attorney General or his designee, the
34 fee imposed, in lieu of the actual cost of collection, may be 20
35 percent of surcharges of \$1,000 or more. The administrator or his
36 designee may establish a sliding scale, not to exceed a maximum
37 amount of \$200, for surcharge principal amounts of less than \$1,000
38 at the time the certificate of debt is forwarded to the Superior Court
39 for filing. The commission shall provide written notification to a
40 driver of the proposed filing of the certificate of debt at least 10
41 days prior to the proposed filing; such notice shall be mailed to the
42 driver's last address of record with the commission. Upon the filing
43 of a certificate of debt with the Clerk of the Superior Court, the
44 surcharged driver shall not be eligible for the restoration of his
45 driving privilege until at least five percent of each outstanding
46 surcharge assessment that has resulted in the suspension, including
47 interest and costs, if any, is paid to the commission. If a certificate
48 of debt is satisfied following a credit card payment, debit card

1 payment or payment by other electronic payment device and that
2 payment is reversed, a new certificate of debt shall be filed against
3 the surcharged driver unless the original is reinstated.

4 If the administrator or his designee approves a special payment
5 plan, of such duration as the administrator or his designee deems
6 appropriate, for repayment of the certificate of debt, and the driver
7 is complying with the approved plan, the plan may be continued for
8 any new surcharge not part of the certificate of debt.

9 All moneys collectible by the commission under subparagraph
10 (b) of paragraph (2) of this subsection b. shall be billed and
11 collected by the commission except as provided in P.L.1997, c.280
12 (C.2B:19-10 et al.) for the collection of unpaid surcharges.
13 Commencing on September 1, 1996, or such earlier time as the
14 Commissioner of Banking and Insurance shall certify to the State
15 Treasurer that amounts on deposit in the New Jersey Automobile
16 Insurance Guaranty Fund are sufficient to satisfy the current and
17 anticipated financial obligations of the New Jersey Automobile Full
18 Insurance Underwriting Association, all surcharges collected by the
19 commission under subparagraph (b) of paragraph (2) of this
20 subsection b. shall be remitted to the Division of Motor Vehicles
21 Surcharge Fund:

22 (i) for transfer to the Market Transition Facility Revenue Fund,
23 as provided in section 12 of P.L.1994, c.57 (C.34:1B-21.12), for the
24 purposes of section 4 of P.L.1994, c.57 (C.34:1B-21.4) until such a
25 time as all the Market Transition Facility bonds, notes and
26 obligations and all Motor Vehicle Commission bonds, notes and
27 obligations issued pursuant to that section 4 of P.L.1994, c.57
28 (C.34:1B-21.4) and the costs thereof are discharged and no longer
29 outstanding; and

30 (ii) from and after the date of certification by the Commissioner
31 of Banking and Insurance that the moneys collectible under
32 subparagraph (b) of paragraph (2) of this subsection b. are no longer
33 needed to fund the association or at such time as all Market
34 Transition Facility bonds, notes and obligations and all Motor
35 Vehicle Commission bonds, notes and obligations issued pursuant
36 to section 4 of P.L.1994, c.57 (C.34:1B-21.4) and the costs thereof
37 are discharged and no longer outstanding, for transfer to the Motor
38 Vehicle Surcharges Revenue Fund established pursuant to section 6
39 of the "Motor Vehicle Surcharges Securitization Act of 2004,"
40 P.L.2004, c.70 (C.34:1B-21.28) to be applied as set forth in section
41 6 that act. From and after such time as all bonds issued under
42 section 4 of the "Motor Vehicle Surcharges Securitization Act of
43 2004," P.L.2004, c.70 (C.34:1B-21.26) and the costs thereof are
44 discharged and no longer outstanding, all surcharges collected by
45 the commission under subparagraph (b) of paragraph (2) of this
46 subsection b. shall, subject to appropriation, be remitted to the New
47 Jersey Property-Liability Insurance Guaranty Association created
48 pursuant to section 6 of P.L.1974, c.17 (C.17:30A-6) to be used for

1 payment of any loans made by that association to the New Jersey
2 Automobile Insurance Guaranty Fund pursuant to paragraph (10) of
3 subsection a. of section 8 of P.L.1974, c.17 (C.17:30A-8); provided
4 that all such payments shall be subject to and dependent upon
5 appropriation by the State Legislature.

6 All surcharges collected by the courts pursuant to subparagraph
7 (a) of paragraph (2) of this subsection b. shall be forwarded not less
8 frequently than monthly to the Division of Revenue. The Division
9 of Revenue shall transfer: all such surcharges received prior to July
10 1, 2006, to the General Fund, and commencing July 1, 2006, all
11 such surcharges to the Unsafe Driving Surcharge Revenue Fund
12 established pursuant to section 5 of the "Motor Vehicle Surcharges
13 Securitization Act of 2004," P.L.2004, c.70 (C.34:1B-21.27) to be
14 applied as set forth in section 5 of that act. From and after such
15 time as all bonds (including refunding bonds), notes and other
16 obligations issued under section 4 of the "Motor Vehicle Surcharges
17 Securitization Act of 2004," P.L.2004, c.70 (C.34:1B-21.26), and
18 the costs thereof are discharged and no longer outstanding, all such
19 surcharges collected by the courts pursuant to subparagraph (a) of
20 paragraph (2) of this subsection b. and forwarded to the Division of
21 Revenue shall be transferred to the General Fund.

22 Upon request, the Administrative Office of the Courts shall
23 provide a monthly report to the Division of Revenue containing
24 information on the number of convictions for the offense of unsafe
25 driving pursuant to section 1 of P.L.2000, c.75 (C.39:4-97.2) that
26 were entered during such month, the amount of the surcharges that
27 were assessed by the courts pursuant to subsection f. of section 1 of
28 P.L.2000, c.75 (C.39:4-97.2) for such month, and the amount of the
29 surcharges collected by the courts pursuant to subsection f. of
30 section 1 of P.L.2000, c.75 (C.39:4-97.2) during such month.

31 (3) In addition to any other authority provided in P.L.1983, c.65
32 (C.17:29A-33 et al.), the commissioner, after consultation with the
33 commission, is specifically authorized (a) (Deleted by amendment,
34 P.L.1994, c.64), (b) to impose, in accordance with subparagraph (a)
35 of paragraph (1) of this subsection b., surcharges for motor vehicle
36 violations or convictions for which motor vehicle points are not
37 assessed under Title 39 of the Revised Statutes, or (c) to reduce the
38 number of points for which surcharges may be assessed below the
39 level provided in subparagraph (a) of paragraph (1) of this
40 subsection b., except that the dollar amount of all surcharges levied
41 under the Motor Vehicle Violations Surcharge System shall be
42 uniform on a Statewide basis for each filer, without regard to
43 classification or territory. Surcharges adopted by the commissioner
44 on or after January 1, 1984 for motor vehicle violations or
45 convictions for which motor vehicle points are not assessable under
46 Title 39 of the Revised Statutes shall not be retroactively applied
47 but shall take effect on the date of the New Jersey Register in which

1 notice of adoption appears or the effective date set forth in that
2 notice, whichever is later.

3 c. No motor vehicle violation surcharges shall be levied on an
4 automobile insurance policy issued or renewed on or after January
5 1, 1984, except in accordance with the Motor Vehicle Violations
6 Surcharge System, and all surcharges levied thereunder shall be
7 assessed, collected and distributed in accordance with subsection b.
8 of this section.

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

10 e. The Commissioner of Banking and Insurance and the
11 commission as may be appropriate, shall adopt any rules and
12 regulations necessary or appropriate to effectuate the purposes of
13 this section.

14 f. (1) Notwithstanding any other section of law to the
15 contrary, upon receiving a certification from the Commissioner of
16 Labor and Workforce Development that a person has performed a
17 community service project pursuant to the “Motor Vehicle
18 Surcharge Community Service Program” established by section 1 of
19 P.L. , c. (C.) (pending before the Legislature as this bill) in
20 lieu of the payment of a motor vehicle surcharge, the chief
21 administrator shall waive all surcharges levied pursuant to
22 paragraph (1), subparagraph (a) of paragraph (2), or paragraph (3)
23 of subsection b. of this section and any interest accrued thereon.

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

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

32 (cf: P.L.2007, c.282, s.1)

33

34 3. This act shall take effect on the first day of the sixth month
35 following enactment.

36

37

38

STATEMENT

39

40 This bill establishes a “Motor Vehicle Surcharge Community
41 Service Program,” administered by the Commissioner of Labor and
42 Workforce Development. The program allows a person who is
43 unemployed but has enrolled in an education or job training
44 program to perform community service in lieu of paying motor
45 vehicle surcharges. The bill requires the commissioner to
46 coordinate with the Chief Administrator of the Motor Vehicle
47 Commission (MVC) to waive motor vehicle surcharges imposed on

1 applicants who complete a community service project in
2 participating counties and municipalities.

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

18 The bill allows the governing body of any county or municipality
19 may apply to the Department of Labor and Workforce Development
20 to participate in the program. The eligible community service
21 projects are to include, but not be limited to, improvements to
22 county and municipal buildings, grounds, roads, streams, and other
23 county or municipal property, provided that the volunteer labor
24 used by a municipality or county may not displace or remove from
25 employment any paid public or private employee or in any way
26 reduce the workforce within a county or municipality. The bill
27 further provides that a qualifying applicant may not be denied
28 participation in the program due to a lack of volunteer labor
29 projects.

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

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