

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 914

STATE OF NEW JERSEY
219th LEGISLATURE

ADOPTED JANUARY 30, 2020

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Senator SANDRA B. CUNNINGHAM

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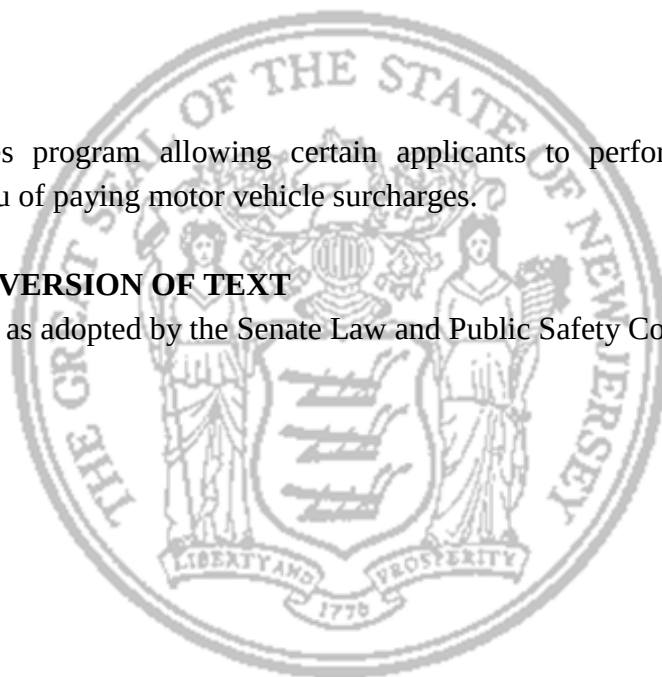
**Senators Turner, Cruz-Perez, Pou, Gill, Singleton, Assemblyman Moen,
Assemblywomen Chaparro and Jasey**

SYNOPSIS

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

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Law and Public Safety Committee.



(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 on
41 the surcharges shall become immediately due, and the driving
42 privilege of the applicant shall be suspended until the applicant
43 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.

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 enroll through 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.

16 As used in this section, "improvements" means construction,
17 alteration, repair, litter abatement, renovation, or maintenance of
18 any county or municipal 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 System
36 which shall apply to all drivers and shall include, but not be limited to,
37 the following provisions:

38 (1) (a) Surcharges shall be levied, beginning on or after January 1,
39 1984 but before the first day of the first month next following the date
40 the written notification required pursuant to subsection b. of section 2
41 of P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the State Treasurer
42 and the Chief Administrator of the New Jersey Motor Vehicle
43 Commission, by the commission established by section 4 of P.L.2003,
44 c.13 (C.39:2A-4) on any driver who, in the preceding 36-month
45 period, has accumulated six or more motor vehicle points, as provided
46 in Title 39 of the Revised Statutes; except that the allowance for a
47 reduction of points in Title 39 of the Revised Statutes shall not apply
48 for the purpose of determining surcharges under this paragraph. The

1 accumulation of points shall be calculated as of the date the point
2 violation is posted to the driver history record and shall be levied
3 pursuant to rules promulgated by the commission. Surcharges
4 assessed pursuant to this paragraph shall be \$150 for six points, and
5 \$25 for each additional point. No offense shall be selected for billing
6 which occurred prior to February 10, 1983. No offense shall be
7 considered for billing in more than three annual assessments.

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

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

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

29 (b) Surcharges shall be levied for convictions (i) under R.S.39:4-
30 50 for violations occurring on or after February 10, 1983 but before
31 the first day of the first month next following the date the written
32 notification required pursuant to subsection b. of section 2 of
33 P.L.2019, c.301 (C.52:9S-3.1) is transmitted to the State Treasurer and
34 the chief administrator of the commission, and (ii) under section 2 of
35 P.L.1981, c.512 (C.39:4-50.4a), or for offenses committed in other
36 jurisdictions of a substantially similar nature to those under R.S.39:4-
37 50 or section 2 of P.L.1981, c.512 (C.39:4-50.4a), for violations
38 occurring on or after January 26, 1984 but before the first day of the
39 first month next following the date the written notification required
40 pursuant to subsection b. of section 2 of P.L.2019, c.301 (C.52:9S-
41 3.1) is transmitted to the State Treasurer and the chief administrator of
42 the commission. The commission shall have no legal authority to
43 collect any surcharge, together with any interest and administrative
44 fees, that have been levied but remain unpaid, or that may be levied
45 and required to be paid, on or after that date.

46 Except as hereinafter provided, surcharges under this subparagraph
47 (b) shall be levied annually for a three-year period, and shall be \$1,000
48 per year for each of the first two convictions, for a total surcharge of

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

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

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

23 In addition to any other remedy provided by law, the commission
24 is authorized to utilize the provisions of the SOIL (Set off of
25 Individual Liability) program established pursuant to P.L.1981, c.239
26 (C.54A:9-8.1 et seq.) to collect any surcharge levied under this section
27 and collectible by the commission that is unpaid on or after the
28 effective date of this act but before the first day of the first month next
29 following the date the written notification required pursuant to
30 subsection b. of section 2 of P.L.2019, c.301 (C.52:9S-3.1) is
31 transmitted to the State Treasurer and the chief administrator of the
32 commission. As an additional remedy, the commission may issue a
33 certificate to the Clerk of the Superior Court stating that the person
34 identified in the certificate is indebted under this surcharge law in such
35 amount as shall be stated in the certificate. The certificate shall
36 reference the statute under which the indebtedness arises. Thereupon
37 the clerk to whom such certificate shall have been issued shall
38 immediately enter upon the record of docketed judgments the name of
39 such person as debtor; the State as creditor; the address of such person,
40 if shown in the certificate; the amount of the debt so certified; a
41 reference to the statute under which the surcharge is assessed, and the
42 date of making such entries. The docketing of the entries shall have
43 the same force and effect as a civil judgment docketed in the Superior
44 Court, and the commission shall have all the remedies and may take all
45 of the proceedings for the collection thereof which may be had or
46 taken upon the recovery of a judgment in an action, but without
47 prejudice to any right of appeal. Upon entry by the clerk of the
48 certificate in the record of docketed judgments in accordance with this

1 provision, interest in the amount specified by the court rules for post-
2 judgment interest shall accrue from the date of the docketing of the
3 certificate, however payment of the interest may be waived by the
4 commission or its designee. In the event that the surcharge remains
5 unpaid following the issuance of the certificate of debt and the
6 commission takes any further collection action including referral of the
7 matter to the Attorney General or his designee, the fee imposed, in lieu
8 of the actual cost of collection, may be 20 percent of surcharges of
9 \$1,000 or more. The chief administrator or his designee may establish
10 a sliding scale, not to exceed a maximum amount of \$200, for
11 surcharge principal amounts of less than \$1,000 at the time the
12 certificate of debt is forwarded to the Superior Court for filing. The
13 commission shall provide written notification to a driver of the
14 proposed filing of the certificate of debt at least 10 days prior to the
15 proposed filing; such notice shall be mailed to the driver's last address
16 of record with the commission. Upon the filing of a certificate of debt
17 with the Clerk of the Superior Court, the surcharged driver shall not be
18 eligible for the restoration of his driving privilege until at least five
19 percent of each outstanding surcharge assessment that has resulted in
20 the suspension, including interest and costs, if any, is paid to the
21 commission. If a certificate of debt is satisfied following a credit card
22 payment, debit card payment or payment by other electronic payment
23 device and that payment is reversed, a new certificate of debt shall be
24 filed against the surcharged driver unless the original is reinstated.

25 If the chief administrator or his designee approves a special
26 payment plan, of such duration as the chief administrator or his
27 designee deems appropriate, for repayment of the certificate of debt,
28 and the driver is complying with the approved plan, the plan may be
29 continued for any new surcharge not part of the certificate of debt.

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

1 of this subsection shall be remitted to the Division of Motor Vehicles
2 Surcharge Fund:

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

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

33 All surcharges collected by the courts pursuant to subparagraph (a)
34 of paragraph (2) of this subsection shall be forwarded not less
35 frequently than monthly to the Division of Revenue in the Department
36 of the Treasury. The Division of Revenue shall transfer: all such
37 surcharges received prior to July 1, 2006, to the General Fund, and
38 commencing July 1, 2006, all such surcharges to the Unsafe Driving
39 Surcharge Revenue Fund established pursuant to section 5 of the
40 "Motor Vehicle Surcharges Securitization Act of 2004," P.L.2004,
41 c.70 (C.34:1B-21.27) to be applied as set forth in section 5 of that act.
42 From and after such time as all bonds (including refunding bonds),
43 notes and other obligations issued under section 4 of the "Motor
44 Vehicle Surcharges Securitization Act of 2004," P.L.2004, c.70
45 (C.34:1B-21.26), and the costs thereof are discharged and no longer
46 outstanding, all such surcharges collected by the courts pursuant to
47 subparagraph (a) of paragraph (2) of this subsection and forwarded to
48 the Division of Revenue shall be transferred to the General Fund.

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

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

28 c. No motor vehicle violation surcharges shall be levied on an
29 automobile insurance policy issued or renewed on or after January 1,
30 1984, except in accordance with the Motor Vehicle Violations
31 Surcharge System, and all surcharges levied thereunder shall be
32 assessed, collected and distributed in accordance with subsection b. of
33 this section.

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

35 e. The Commissioner of Banking and Insurance and the
36 commission as may be appropriate, shall adopt any rules and
37 regulations necessary or appropriate to effectuate the purposes of this
38 section.

39 f. (1) Notwithstanding the provision of any other section of
40 law to the contrary, upon receiving a certification from the
41 Commissioner of Labor and Workforce Development that a person
42 has performed a community service project pursuant to the "Motor
43 Vehicle Surcharge Community Service Program" established by
44 section 1 of P.L. , c. (C.) (pending before the Legislature
45 as this bill) in lieu of the payment of a motor vehicle surcharge, the
46 chief administrator shall waive all surcharges levied pursuant to
47 paragraph (1), subparagraph (a) of paragraph (2), or paragraph (3)
48 of subsection b. of this section and any interest accrued thereon.

1 (2) Motor vehicle points assessed by the chief administrator
2 pursuant to section 1 of P.L.1982, c.43 (C.39:5-30.5) shall not be
3 affected by a driver's participation in the "Motor Vehicle Surcharge
4 Community Service Program."

5 (3) A driver who has any outstanding surcharges levied pursuant
6 to subparagraph (b) of paragraph (2) of subsection b. of this section
7 shall not be eligible to participate in the "Motor Vehicle Surcharge
8 Community Service Program."

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

10

11 3. This act shall take effect on the first day of the sixth month
12 next following enactment.