SENATE, No. 965

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:
Senator JOSEPH F. VITALE
District 19 (Middlesex)

SYNOPSIS

Makes various changes to current system for approval, issuance, administration, and discontinuance of various types of special license plates.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning specialty registration plates, revising various parts of the statutory law, and supplementing Title 39 of the Revised Statutes.

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

1. Section 1 of P.L.1987, c.374 (C.39:3-27.35) is amended to read as follows:

1. **[**A**]** a. The commission may issue, upon proper application therefor, a set of specialty registration plates to any person or entity requesting specialty registration plates that complies with the procedures set forth herein and any rules and regulations promulgated by the chief administrator.

b. As used in P.L.1987, c.374 (C.39:3-27.35 et seq.) and in P.L. , c. (C.) (pending before the Legislature as this bill):

"Sponsoring organization" means a nonprofit community, alumni, or service organization which is seeking approval from the commission for its own specialty registration plate or which has been approved for the issuance of specialty registration plates pursuant the provisions of P.L.1987, c.374 (C.39:3-27.35 et seq.) or any other organization or entity which has been approved for the issuance of specialty registration plates pursuant to the provisions of P.L. , c. (C.) (pending before the Legislature as this bill).

"Specialty registration plate" means a license plate which bears the name, initials, logotype, graphic, or identifying phrase of a sponsoring organization and which has been approved by the chief administrator for issuance by the commission.

c. Any person who is a member in good standing of a **[**nonprofit community, alumni or service**]** sponsoring organization in the State approved by the **[**director**]** chief administrator pursuant to the provisions of **[**this act**]** P.L.1987, c.374 (C.39:3-27.35) et seq. may be issued **[**special organization vehicle**]** a set of specialty registration plates to be displayed on motor vehicles owned or leased by that person in place of standard registration plates. A person who receives specialty registration plates shall be subject to the same laws and regulations governing standard registration plates. A person may combine an application for specialty registration plates with an application for registration plates bearing the national wheelchair symbol pursuant to section 3 of P.L.1949, c.280 (C.39:4-206). The design and approval of specialty registration plates bearing the national wheelchair symbol shall be within the sole discretion of the chief administrator.

(cf: P.L.1989, c.49, s.1)

2. Section 2 of P.L.1987, c.374 (C.39:2-27.36) is amended to

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.

read as follows:

2. ⟦Special organization vehicle⟧ Specialty registration plates shall be issued subject to the following conditions:

a. Each sponsoring organization shall appoint ⟦an organization⟧ a representative who will act as a liaison between the sponsoring organization and the ⟦division⟧ commission.

b. The representative shall, upon application on behalf of any member, provide a copy of the charter of the sponsoring organization to the ⟦division⟧ commission which shall indicate the organization's lawful purpose and shall also provide proof of its nonprofit status.

c. The representative shall ⟦submit an⟧ certify in writing to the chief administrator that the sponsoring organization ⟦Certification of Membership when requested by the division⟧ has at least 1,000 members in good standing who reside in this State, and, once the organization and a registration plate arrangement under subsection d. are approved, forward a fee ⟦of no more than $75.00 as⟧ to be determined by the ⟦director⟧ chief administrator for each set of ⟦special organization vehicle⟧ specialty registration plates, in addition to fees otherwise prescribed by law, for these plates. The ⟦Certification of Membership⟧ written certification provided by the sponsoring organization pursuant to this subsection shall be printed at the organization's expense and contain the organization's official letterhead, the signature of the organization's representative, the names and addresses of organization members requesting ⟦special organization vehicle⟧ specialty registration plates, and the present registration plate numbers of the vehicles of the members.

d. The representative also shall submit to the ⟦division⟧ commission a non-refundable application fee determined by the chief administrator and the name or initials the organization wishes to be placed at the bottom of the plate and a logotype, graphic, or identifying phrase. The use and arrangement of the name, initials, ⟦or⟧ logotype, graphic, or identifying phrase of the sponsoring organization on the registration plates shall be in the sole discretion of the ⟦director⟧ chief administrator.

e. Specialty registration plates shall only be approved for a sponsoring organization which, except for an organization consisting of military service veterans, has as its primary purpose service to the community through specific programs that promote the improvement of public health, education, or general welfare.

f. The sponsoring organization shall have maintained its status as a nonprofit organization in good standing for not less than five consecutive years prior to submitting an application for approval of specialty registration plates pursuant to this section. The organization shall prove its nonprofit status by submitting to the commission a photocopy of the approval letter issued to the

organization by the United States Internal Revenue Service which confirms the organization's status as nonprofit, and shall certify by affidavit that the photocopy is of the authentic document issued by the United States Internal Revenue Service to the organization. The sponsoring organization's headquarters or base of operations shall be located in this State; provided, however, that if the organization is a chapter or branch of an international, national, or regional organization, the chapter or branch shall be in good standing and obtain written authorization from the parent organization to use the name, initials, logotype, graphic, or identifying phrase of the parent organization.

g. The sponsoring organization is required to have an active telephone number listed under its own name in at least one telephone directory published in this State.

h. The chief administrator shall not approve a specialty registration plate if the sponsoring organization's name, initials, logotype, graphic, or identifying phrase sought to be placed on the specialty registration plate:

(1) Invokes connotations offensive to good taste and decency;

(2) Promotes, advertises, or endorses a product, brand, or service provided for sale;

(3) Infringes upon or otherwise violates a trademark, trade name, service mark, copyright, or other proprietary or property right;

(4) Obscures the specialty registration plate letters or numbers that are assigned by the commission;

(5) Displays a politically or religiously affiliated image or message; or

(6) Displays any image or message which the chief administrator, for good cause shown, determines to be offensive or controversial.

[Special organization vehicle**]** i. Specialty registration plates shall not be provided to any commercially registered vehicle or any motorcycle, unless previously approved by the chief administrator prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill).

j. It shall be within the sole discretion of the chief administrator or designee to determine if, and the manner in which, specialty registration plates may be advertised.

[f.**]** k. The initial order for specialty registration plates shall be for no less than 500 **[**members of the organization in good standing**]** sets of plates and shall be accompanied by the fees prescribed by the **[**director, except that the initial order for plates submitted by a service organization shall be for no less than 175 members**]** chief administrator. The fee prescribed by the chief administrator pursuant to subsection c. of this section for each set of

specialty registration plates shall be paid to the commission prior to the manufacture of such plates.

l. The chief administrator shall have the sole discretion to determine the number of sponsoring organizations applying for a specialty registration plate that will be approved for issuance in any fiscal year.

m. A sponsoring organization which has been approved for a specialty registration plate may solicit and collect a donation from individuals applying for a set of the plates as a condition for the sponsoring organization's approval of the initial issuance of the plates to the applicant by the commission, but the minimum required donation shall be the same for all applicants and shall be posted for public viewing wherever information regarding the availability of the specialty registration plates is advertised, listed, or communicated by the sponsoring organization. A sponsoring organization may solicit and collect voluntary donations from registrants displaying the organization's specialty registration plates, but the organization may not demand continued donations from registrants as a condition for the continued display of the plates. A sponsoring organization may advise the commission to recall plates from any individual who is no longer a member in good standing of the sponsoring organization.

(cf: P.L.1989, c.49, s.2)

3. Section 3 of P.L.1987, c.374 (C.39:3-27.37) is amended to read as follows:

3. a. The **[**director**]** chief administrator shall have the sole authority to make the final decision as to whether or not an organization is approved for the issuance of **[**special organization vehicle**]** specialty registration plates **[**to its members**]**, notwithstanding the organization's compliance with section 2 of P.L.1987, c.374 (C.39:3-27.36).

b. The chief administrator shall have the sole authority to determine which specialty registration plates shall be made available at commission field offices. The determination shall be based on sales volume, administrative costs, available storage space, and any other factors which the chief administrator deems appropriate. The chief administrator shall also have the sole discretion to determine which specialty registration plates shall be made available at motor vehicle dealerships or on the premises of approved third parties performing the vehicle registration process.

(cf: P.L.1987, c.374, s.3)

4. Section 5 of P.L.1987, c.374 (C.39:3-27.39) is amended to read as follows:

5. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the **[**director**]** chief administrator may adopt rules and regulations governing the design, issuance, and use

of [these vehicle] specialty registration plates and any other rules and regulations which may be necessary to effectuate the purposes of P.L.1987, c.374 (C.39:3-27.35 et seq.) including, but not limited to, the nature of the documentation to be used as proof of nonprofit status, definitions of community, alumni, and service organizations, and procedures for the return of [special organization vehicle] specialty registration plates from persons who are no longer members in the approved sponsoring organization or who have been convicted of any violation pursuant to section 3 of P.L.1959, c.56 (C.39:3-33.5).
(cf: P.L.1987, c.374, s.5)

5. (New section) a. All special registration plates issued pursuant to the following shall be known and referred to as specialty registration plates for the purposes of this section:

(1) Amateur radio call letter registration plates issued pursuant to section 1 of P.L.1968, c.247 (C.39:3-27.5); and

(2) Street rod registration plates issued pursuant to section 1 of P.L.1981, c.240 (C.39:3-27.27).

b. The chief administrator may, in the chief administrator's discretion, revoke the approval of or prohibit new sales of any specialty registration plate approved pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.) or established pursuant to the sections of law enumerated in paragraphs (1) or (2) of subsection a. of this section if:

(1) the sponsoring organization of the specialty registration plate fails to comply with the provisions of State law governing the use of registration plates;

(2) fewer than 500 sets of the specialty registration plates established prior to or after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) have been sold in the first full fiscal year of sales after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill);

(3) after a fiscal analysis conducted by the commission, the chief administrator determines that it is no longer cost effective to produce the specialty registration plate and offer it for sale;

(4) the commission determines that the sponsoring organization is no longer qualified for a specialty registration plate under the provisions of P.L.1987, c.374 (C.39:3-27.35 et seq.); or

(5) the sponsoring organization has perpetrated fraud against the commission in obtaining specialty registration plates for its members.

c. Upon the revocation of approval of a sponsoring organization's specialty registration plate established pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.), the issuance of the plate shall be terminated and the sponsoring organization shall not advertise the sale of the plate. A person who owns a motor vehicle displaying valid specialty registration plates for which the chief

administrator has revoked approval, or for which new sales have been prohibited, may continue to display those plates on the person's motor vehicle until the plates are recalled by the chief administrator, provided the motor vehicle's registration is properly renewed and the registration plates remain legible.

d. Following the revocation of the chief administrator's approval of a specialty registration plate or a prohibition on new sales of a plate, if that specialty registration plate is approved by the chief administrator for continued display on properly registered vehicles, the sponsoring organization, if applicable, may solicit and collect voluntary donations from the registrant displaying the plates, in accordance with any guidelines established by the chief administrator permitting the solicitation and collection.

e. The chief administrator shall have the sole discretion to determine whether replacement or duplicate registration plates shall be issued for any specialty registration plate whose approval has been revoked, or for which new sales have been prohibited, if the plates are destroyed, lost, stolen, or mutilated.

f. A sponsoring organization that remains in good standing following the revocation or discontinuance of the specialty registration plate for which it had been previously approved may request the chief administrator to approve the manufacture of novelty products using the remaining stock of the discontinued plate. This request shall be subject to the approval of the chief administrator and the Commissioner of Corrections. The Department of Corrections shall provide for the manufacture of any novelty product approved pursuant to this subsection and the product shall then be issued to the sponsoring organization for a fee to be determined by the chief administrator. The fee shall be considered revenue of the commission and shall not be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.3 (C.39:2A-36).

6. (New section) a. Following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the chief administrator may discontinue the production and issuance of any of the special license or registration plates enumerated in subsection b. of this section, from which a portion of the initial or annual renewal fees are dedicated to the support of a particular fund or cause, if:

(1) in the most recent full fiscal year, less than $7,500 is derived from the annual renewal fee for the special license or registration plate, which fee is in addition to all fees otherwise required by law for the renewal of the registration of a motor vehicle and which is dedicated to the support of a particular cause or fund; and

(2) after a fiscal analysis conducted by the commission, the chief administrator determines that it is no longer cost effective to produce the plate and offer it for sale.

b. The provisions of subsection a. of this section shall apply to following:

(1) coastal protection registration plates issued pursuant to section 2 of P.L.1993, c.168 (C.39:3-27.48);

(2) animal welfare registration plates issued pursuant to section 1 of P.L.1993, c.184 (C.39:3-27.55);

(3) United States Olympic registration plates issued pursuant to section 2 of P.L.1995, c.176 (C.39:3-27.62);

(4) Battleship U.S.S. New Jersey registration plates issued pursuant to Section 1 of P.L.1995, c.252 (C.39:3-27.67);

(5) historic preservation registration plates issued pursuant to section 2 of P.L.1995, c.368 (C.39:3-27.73);

(6) shade tree and community forest preservation registration plates issued pursuant to section 10 of P.L.1996, c.135 (C.39:3-27.79);

(7) Pinelands preservation registration plates issued pursuant to section 1 of P.L.1996, c.147 (C.39:3-27.85);

(8) Barnegat Bay Decoy and Baymen's Museum license plates or other maritime history or marine life preservation project registration plates issued pursuant to section 3 of P.L.1997, c.74 (C.39:3-27.86);

(9) "Conquer Cancer" registration plates issued pursuant to section 1 of P.L.1997, c.92 (C.39:3-27.90);

(10) Liberty State Park registration plates issued pursuant to section 2 of P.L.1997, c.195 (C.39:3-27.92);

(11) Meadowlands conservation registration plates issued pursuant to section 9 of P.L.1999, c.31 (C.39:3-27.100);

(12) Deborah Heart and Lung Center registration plates issued pursuant to section 1 of P.L.1999, c.354 (C.39:2-27.107);

(13) "Promote Agriculture" registration plates issued pursuant to section 1 of P.L.2001, c.13 (C.39:3-27.116);

(14) law enforcement officer memorial registration plates issued pursuant to section 2 of P.L.2001, c.41 (C.39:3-27.123);

(15) "Be An Organ Donor" registration plates issued pursuant to section 1 of P.L.2001, c.164 (C.39:3-27.127);

(16) "United We Stand" registration plates issued pursuant to section 2 of P.L.2002, c.52 (C.39:3-27.132);

(17) Omega Psi Phi registration plates issued pursuant to section 1 of P.L.2013, c.273 (C.39:3-27.144);

(18) Alpha Kappa Alpha registration plates issued pursuant to section 1 of P.L.2014, c.90 (C.39:3-27.146);

(19) military veteran motorcycle registration plates issued pursuant to section 1 of P.L.2017, c.193 (C.39:3-27.148);

(20) "Equality" registration plates issued pursuant to section 1 of P.L.2017, c.279 (C.39:3-27.150);

(21) Delta Sigma Theta registration plates issued pursuant to section 1 of P.L.2018, c.109 (C.39:3-27.152);

(22) "Humane State" registration plates issued pursuant to section 1 of P.L.2018, c.134 (C.39:3-27.154);

(23) breast cancer awareness registration plates issued pursuant to section 1 of P.L.2019, c.281 (C.39:3-27.156); and

(24) wildlife conservation registration plates issued pursuant to section 1 of P.L.1993, c.119 (C.39:3-33.10).

c. A person who owns a motor vehicle displaying valid registration plates which have been discontinued under this section may continue to display those plates on the person's motor vehicle until the plates are recalled by the chief administrator, provided the motor vehicle's registration is properly renewed and the registration plates remain legible.

d. The chief administrator shall have the sole discretion to determine whether replacement or duplicate registration plates will be issued for any previously issued plates which have been discontinued under this section if the plates are destroyed, lost, stolen, or mutilated.

e. An entity or organization which receives revenues generated through the issuance or renewal fees of any registration plate which is discontinued under this section may, if approved by the chief administrator, solicit and collect voluntary donations from any registrant displaying discontinued plates, in accordance with any guidelines established by the chief administrator permitting solicitation and collection.

7. (New section) a. (1) Prior to the discontinuance of any special license plate or registration plate enumerated in paragraphs (1) through (24) of subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill), but not later than the first day of the sixth month following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), an organization or entity that receives revenues generated through the issuance or renewal fees of any special license or registration plate enumerated in paragraphs (1) through (24) of subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill) may apply to be approved by the commission to serve as the sponsoring organization of the special license or registration plate from which the organization or entity receives funding. The chief administrator may approve more than one sponsoring organization for each plate.

(2) Any organization or entity that is approved to serve as a sponsoring organization pursuant to paragraph (1) of this subsection shall be deemed to have met all of the requirements of section 2 of P.L.1987, c.374 (C.39:3-27.36) concerning the procedure a sponsoring organization is to follow in seeking the approval of a specialty registration plate.

(3) Upon receiving the approval of the commission to serve as a sponsoring organization of any special license or registration plate

enumerated in paragraphs (1) through (24) of subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill), that special license or registration plate shall henceforth be known as a specialty registration plate as defined in section 1 of P.L.1987, c.374 (C.39:3-27.35). A special registration plate and its sponsoring organization shall be subject to the provisions of P.L.1987, c.374 (C.39:3-27.35 et seq.) and any rules or regulations promulgated pursuant thereto.

b. On the first day of the sixth month following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the following fees shall apply:

(1) Notwithstanding any other law to the contrary, the fee for the issuance of specialty registration plates approved pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.) or any of the sections of law enumerated in paragraphs (1) and (2) of subsection a. of section 5 of P.L. , c. (C.) (pending before the Legislature as this bill) shall be $35, in addition to the fees otherwise prescribed by law for the registration of motor vehicles.

(2) Notwithstanding any other law to the contrary, the fee for the issuance of any of the special license or registration plates approved pursuant to the sections of law enumerated in paragraphs (1) through (17) of subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill) shall be $35, in addition to the fees otherwise prescribed by law for the registration of motor vehicles. The commission shall cease to remit any portion of the revenue generated through the issuance of those plates to the statutorily established funds or causes those plates support on the first day of the sixth month following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill). For any plates which have been issued prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the commission shall continue to collect any fee established by law for the renewal of the special license or registration plate, and the commission shall continue to remit the revenue generated from the renewal fee to the statutorily established funds or causes those plates support.

c. All fees generated through the issuance of specialty registration plates which have been approved pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.) following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), and any fees generated pursuant to paragraphs (1) and (2) of subsection b. of this section, shall be revenues of the commission and shall not be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L. 2003, c.13 (C.39:2A-36).

8. (New section) a. As used in this section and notwithstanding the provisions of subsection c. of this section,

"novelty plate" means a license plate which has markings and design that are identical or similar to those of a specialty registration plate approved by the chief administrator pursuant to the provisions of P.L.1987, c.374 (C.39:3-27.35 et seq.) or P.L. , c. (C.) (pending before the Legislature as this bill), except that:

(1) A novelty plate shall not be authorized for vehicle registration and shall not be mounted on any part of a vehicle registered in this State or any other State which is permitted on public highways in this or any other state;

(2) The words "Novelty Plate" shall be printed on the bottom rim of the plate; and

(3) The name, initials, or abbreviation of the sponsoring organization, as defined in subsection b. of section 1 of P.L.1987, c.374 (C.39:3-27.35), requesting the novelty license plate shall replace the characters used for vehicle registration as long as the name, initials, or abbreviation do not coincide with any valid registration plate issued by the commission.

b. Upon the written request of a sponsoring organization, the chief administrator may approve the sale of novelty license plates by a sponsoring organization. The sponsoring organization shall, upon requesting novelty plates, remit a fee, to be determined by the chief administrator, per single novelty plate ordered. The minimum number of plates that may be ordered at any one time shall not be less than 100. No sales tax shall be imposed upon the issuance of novelty plates to a sponsoring organization by the commission. The sponsoring organization may offer the novelty plates for sale at a cost to be determined by the organization, and the organization shall comply with applicable sales tax laws of this State.

c. The commission may establish commemorative novelty license plates that are not associated with an approved sponsoring organization and offer them for sale, at a fee to be determined by the chief administrator, to the general public.

d. Any novelty plates approved by the commission pursuant to this section shall comply with the standards set forth in subsection h. of section 2 of P.L.1987, c.374 (C.39:3-27.36) for specialty registration plates, but it is not necessary for novelty plates to comply with the size and reflectorization requirements for general registration plates.

e. Any fees collected by the commission pursuant to this section shall be considered revenues of the commission and shall not be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36).

9. (New section) a. As used in this section, "short run graphic plate" means a license plate which bears the name, initials, logotype, graphic, or identifying phrase of a group or organization,

consisting of not more than 100 individuals, who have been recognized or honored as members of, or individuals affiliated with, a community or service organization that, in the determination of the chief administrator, has made extraordinary sacrifices.

b. The commission may, upon proper application therefor, issue short run graphic plates to members of a group or organization which has been approved by the chief administrator for the issuance of short run graphic plates. Short run graphic plates shall be displayed on motor vehicles owned or leased by the person receiving the plates in place of standard registration plates. The fee for any short run graphic plate shall be determined by the chief administrator at time the chief administrator approves the plate and shall be based on the cost to the commission to produce the plate. This fee shall be in addition to the fees otherwise prescribed by law for the registration of a motor vehicle. Any fees generated through the issuance of short run graphic plates shall be revenues of the commission and shall not be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.3 (C.39:2A-36).

c. A short run graphic plate may only be established upon the written request to the chief administrator by any of the following individuals:

(1) the Governor;

(2) the Lieutenant Governor;

(3) a member of the Governor's staff, as defined in subsection m. of section 3 of P.L.1971, c.183 (C.52:13C-20);

(4) an officer or staff member of the Executive Branch of State government, as defined in subsection n. of section 3 of P.L.1971, c.183 (C.52:13C-20); or

(5) a member of the New Jersey State Legislature.

d. The person submitting a request for a short run graphic plate, or that person's designee, shall serve as a liaison between the group or organization for which the person is seeking approval of a short run graphic plate and the commission. The request shall include the following information:

(1) the name of the group or organization for which the requester is seeking approval of a short run graphic plate and the name of the person who will act as the liaison between the group or organization and the commission;

(2) a description of the group or organization's mission or purpose and any other information which the requester believes qualifies the group or organization for its own short run graphic plate;

(3) the name or initials to be placed at the bottom of the plate and a logotype, graphic, or identifying phrase; and

(4) any other information which the chief administrator may require.

e. The chief administrator shall have sole discretion over the approval, issuance, or discontinuance of short run graphic plates. The chief administrator shall not approve any short run graphic plate which violates any of the restrictions on the name, initials, logotype, graphic, or identifying phrase that may be placed on a specialty registration plates pursuant to subsection h. of section 2 of P.L.1987, c.374 (C.39:3-27.36). The use and arrangement of the name, initials, logotype, graphic, or identifying phrase on any short run graphic plate shall be in the sole discretion of the chief administrator.

f. The chief administrator may prescribe rules and regulations governing the approval, issuance, or discontinuance of short run graphic plates.

10. Section 1 of P.L.1999, c.192 (C.39:3-33a) is amended to read as follows:

1. Whenever the **[**Division of Motor Vehicles**]** New Jersey Motor Vehicle Commission is authorized to charge an additional application fee for the issuance of **[**a**]** personalized, courtesy **[**or**]** , special license **[**plate**]** , or specialty registration plates, the **[**division**]** commission shall charge that additional application fee only upon the initial issuance of **[**the plate**]** the plates. If **[**a**]** personalized, courtesy **[**or**]** , special **[**plate is**]** license, or specialty registration plates are issued to a lessee in a motor vehicle leasing agreement, upon termination of the lease the lessee may apply to the **[**director**]** chief administrator to have the **[**plate**]** plates reissued to another motor vehicle leased or owned by the lessee upon payment of a fee **[**of $4.50**]** to be determined by the chief administrator. If **[**a**]** personalized, courtesy **[**or**]** , special license **[**plate is**]** , or specialty registration plates are issued to an owner of a motor vehicle, the owner may apply to the **[**director**]** chief administrator to have the **[**plate**]** plates reissued to another motor vehicle leased or owned by the owner upon payment of a fee **[**of $4.50**]** to be determined by the chief administrator. Nothing in this section shall be construed as prohibiting the **[**division**]** commission from charging, at the time of annual registration renewal, the payment of the additional fee which has been required under any other section of law for a special license plate or a specialty registration plate.

(cf: P.L.1999, c.192, s.1)

11. Section 1 of P.L.2001, c.35 (C.39:3-33b) is amended to read as follows:

1. a. The lessee in a motor vehicle leasing agreement or the owner of a motor vehicle who obtains a base set of personalized, courtesy **[**or**]** , special license **[**plates**]** , or specialty registration

plates with special identifying marks may obtain and use subsequent sets in a series for use upon other motor vehicles if ⟦they⟧ the motor vehicles are owned or leased from the same or different lessor by that person, provided that there is sufficient space for the series' subscript.

b. The fees for the subsequent sets in a series shall be prescribed by the ⟦director⟧ chief administrator.

c. The chief administrator may promulgate rules and regulations to effectuate the purposes of ⟦this act⟧ P.L. 2001, c.35 (C.39:3-33b et seq.).

(cf: P.L.2004, c.91, s.1)

12. Section 3 of P.L.1959, c.56 (C.39:3-33.5) is amended to read as follows:

3. Except as provided for courtesy marks in section 2 of P.L.2000, c.15 (C.39:3-33.5a), ⟦no⟧ a particular identifying mark or ⟦special organization license plate⟧ or personalized license plate, or specialty registration plate issued pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.) ⟦may⟧ shall not be issued to any applicant who:

(a) for the 10-year period ⟦next preceding⟧ prior to the date of application for a particular identifying mark or special organization license plate has been convicted of a violation of either ⟦section⟧ R.S.39:4-50, ⟦or section⟧ R.S.39:4-96 ⟦of this Title⟧ , or section 2 of P.L.1966, c.142 (C.39:4-50.2) or has been convicted of a violation of a law of a substantially similar nature in another jurisdiction; or

(b) has been convicted of a violation of N.J.S.2C:11-5 or section 1 of P.L.2017, c.165 (C.2C:11-5.3); or

(c) for the two-year period ⟦next preceding his⟧ prior to the date of application for a particular identifying mark or personalized license plate, or a special organization license plate has had ⟦his⟧ driving privileges in this State or in another jurisdiction revoked or suspended for any reason whatsoever.

(cf: P.L.2017, c.165, s.14)

13. (New section) The chief administrator may promulgate, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to effectuate the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

14. The following sections of law are repealed:

Section 1 of P.L.1958, c.120 (C.39:3-27.2); and

Section 4 of P.L.1987, c.374 (C.39:3-27.38).

15. This act shall take effect on the first day of the sixth month following the date of enactment, but the chief administrator may take anticipatory action in advance of that date as may be necessary for the timely implementation of this act.

STATEMENT

This bill restructures the current system of special license plates which may be issued to New Jersey drivers in place of standard registration plates.

Under existing law, there are three main types of special license plates which are issued by the New Jersey Motor Vehicle Commission (MVC):

1) various statutorily-established special license plates that are meant to honor or recognize individuals' affiliations with certain groups or organizations;

2) dedicated cause special license plates that support statutorily identified funds and causes; and

3) special organizational vehicle registration plates, which are approved by the Chief Administrator of the MVC (chief administrator) for certain nonprofit alumni, community, or service organizations upon application to the MVC.

<u>Specialty License Plates</u>

The bill maintains the current system of issuing special license plates to nonprofit organizations through an application to and approval of the MVC, but alters the existing system by:

- changing the name of special organizational vehicle registration plates to specialty registration plates;

- requiring a sponsoring organization that is seeking approval of a specialty registration plate to certify that it has at least 1,000 members in good standing in this State;

- changing the fee that is required to be paid by a sponsoring organization to the MVC for specialty registration plates from no more than $75 per set to a fee to be determined by the chief administrator;

- providing that specialty registration plates may only be approved for organizations, not including those consisting of military service veterans, that have the primary purpose of service to the community through specific programs that promote the improvement of public health, education, or welfare;

- requiring that the sponsoring organization maintain nonprofit status for at least five consecutive years prior to applying for a specialty registration plate, provide proof of nonprofit status through the submission of Internal Revenue Service documentation, and maintain its headquarters in this State, unless it is a branch of an international, national, or regional organization;

- requiring the sponsoring organization to have an active telephone number published in a telephone directory in this State;

- prohibiting certain content on specialty registration plates, including, but not limited to, anything that may be considered offensive, promotes a product, or displays a political or religious message; and

- allowing sponsoring organizations to solicit and collect donations from persons applying for specialty registration plates as a condition of issuance, and permitting continued solicitation and collection of voluntary donations from drivers displaying specialty registration plates.

Discontinuance of Specialty Registration Plates

Under existing law, the chief administrator has the authority to revoke previous approval of a special organization vehicle registration plate only if the organization no longer qualifies for a special plate under the law or has perpetrated fraud against the MVC in obtaining plates for its members.

This bill expands this authority by permitting, but not requiring, the chief administrator to revoke the approval of, or prohibit new sales of, specialty registration plates, amateur radio call letter plates, and street rod registration plates, if:

- the sponsoring organization fails to comply with provisions of State law governing the use of registration plates;

- fewer than 500 sets of new or existing specialty registration plates are sold in the first full fiscal year of sales after the effective date of the bill; or

- after a fiscal analysis, the MVC determines it is no longer cost effective to produce a specialty registration plate and offer it for sale.

If approved by the chief administrator, discontinued specialty registration plates may continue to be displayed on properly registered vehicles. The sponsoring organization of a discontinued plate may solicit and collect voluntary donations, in accordance with any guidelines established by the chief administrator.

If a sponsoring organization's approval is revoked or new sales of its plate are prohibited, the organization may request the chief administrator to approve the manufacture of novelty products using the remaining stock of the discontinued plate, subject to the approval of the chief administrator and the Commissioner of Corrections, who would be responsible for the manufacture of such novelty products. The products would be issued for a fee, to be determined by the chief administrator, to the sponsoring organization and the fees would be considered revenue of the MVC.

Discontinuance of Certain Dedicated Cause Plates

Under existing law, dedicated cause plates may only be discontinued through an act of the Legislature. Under the bill, the

chief administrator may discontinue the production or issuance of a dedicated cause plate if:

- less than $7,500 is derived from the annual renewal fee required under existing law for such a plate; and

- after fiscal analysis, the MVC determines that it is no longer cost effective to produce the plate and offer it for sale.

For any discontinued dedicated cause plate, the entity or organization which receives revenues generated through the issuance and renewal of the plate would be permitted to solicit and collect voluntary donations from those registrants who continue to display the discontinued plates.

Reclassification of Dedicated Cause Plates

Prior to the discontinuance of any dedicated cause plate, but not later than six month following the effective date, the bill directs any organization or entity which receives funds through the issuance and renewal of dedicated cause plates to apply to be approved by the MVC to become the sponsoring organization of the dedicated cause plate. From that point forward, the dedicated cause plate would be known as a specialty registration plate. The sponsoring organization of a plate would not be required to go through the approval process required for any specialty registration plate established after the effective date of the bill, but the sponsoring organization and specialty registration plate would be required to comply with all laws, rules, and regulations governing organizations and plates.

Six months following the effective date of the bill, which serves as the deadline for the reclassification of the dedicated cause plates, the fee for all specialty registration plates, including dedicated cause plates and certain other statutorily-established plates, is to become $35. Six months following the effective date of the bill, all fees generated through the issuance of specialty registration plates, established both before and after the effective date, are to become revenues of the commission. At that time, the MVC is to cease to submit any revenue generated through the sale of dedicated cause plates to the funds or causes the plates support. However, the annual renewal fees required for dedicated cause plates would continue to be collected by the MVC and remitted to the funds or cause the plates support.

Novelty License Plates

The bill permits the chief administrator, upon the request of a sponsoring organization, to issue novelty license plates which are similar or identical to approved specialty registration plates, but which are not authorized for vehicle registration and may not be mounted on any motor vehicle. The sponsoring organization would have to request a minimum of 100 plates per order and may make such plates available for sale at a cost to be determined by the

organization. The bill also permits the MVC to establish and sell commemorative novelty license plates as a way of generating revenue for the MVC.

Short Run Graphic Plates

The bill authorizes the chief administrator to establish short run graphic plates. As is the case with specialty registration plates, short run graphic plates would bear the name, initials, logotype, graphic, or identifying phrase of a group or organization. These plates would be limited to recognizing groups of less than 100 people who have been recognized or honored as members or individuals affiliated with a community or service organization that, in the chief administrator's determination, has made extraordinary sacrifices. These plates may only be established upon the written request of a member of the Legislature or certain officers of the Executive Branch, which includes, but is not limited to, the Governor or Lieutenant Governor.

Other Provisions

The bill changes the fee for transferring personalized, courtesy, special license, or specialty registration plates to another motor vehicle from $4.50 to an amount to be determined by the chief administrator.

Finally, in order to prevent the potential abuse of certain special registrations that are issued by the chief administrator but are technically only valid for short durations of not more than 10 days, the bill repeals a statutory provision permitting special registrations and special registration plates for motor vehicles used in connection with a convention, conference, meeting, pageant, parade, celebration, or similar function.