

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 2036

STATE OF NEW JERSEY

DATED: OCTOBER 8, 2020

The Senate Transportation Committee reports favorably Senate Bill No. 2036.

As reported, this bill authorizes the Chief Administrator (chief administrator) of the New Jersey Motor Vehicle Commission (commission) to issue Phi Beta Sigma license plates. The design of the license plates is to be chosen by the chief administrator in consultation with the International President of Phi Beta Sigma Fraternity, Inc. (Phi Beta Sigma).

In addition to all fees otherwise required by law for the registration of a motor vehicle, there is an application fee of \$50 and an annual renewal fee of \$10 for the Phi Beta Sigma license plates. The additional fees, after the deduction of the cost of designing, producing, issuing, renewing, and publicizing the plates and of any computer programming changes that are necessary to implement the license plate program, are to be deposited into a special non-lapsing fund known as the "Phi Beta Sigma License Plate Fund." The proceeds of the fund are to be annually appropriated to the Phi Beta Sigma Fraternity and used to support the organization's mission and programs, which include scholarships, social action programs, college endowment funding, and health initiatives.

The chief administrator is required to annually certify the average cost of producing, issuing, renewing, and publicizing the Phi Beta Sigma license plates. If the average cost per plate exceeds \$50 for two consecutive fiscal years, the chief administrator may discontinue the license plate program. The bill requires Phi Beta Sigma to appoint a liaison to represent the organization in all communications with the commission regarding the Phi Beta Sigma license plates.

The bill provides that State or other public funds are not to be used by the commission for the initial cost of designing, producing, issuing, and publicizing the availability of Phi Beta Sigma license plates or any computer programming changes which may be necessary to implement the Phi Beta Sigma license plate program.

The bill requires that Phi Beta Sigma, or the representative designated by the organization, contribute monies in an amount to be determined by the chief administrator, not to exceed \$25,000, to be used to offset the initial costs incurred by the commission for

designing, producing, issuing, and publicizing the availability of Phi Beta Sigma license plates, and any computer programming which may be necessary to implement the program. The bill authorizes Phi Beta Sigma to receive funds from private sources to be used to offset the initial costs.

The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Phi Beta Sigma license plates, or making any necessary programming changes, until: (1) Phi Beta Sigma, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Phi Beta Sigma license plate program; and (2) the Phi Beta Sigma liaison has provided the commission with a minimum of 500 completed applications for Phi Beta Sigma license plates.

The chief administrator is responsible for publicizing the availability of the license plates on the website of the commission. Phi Beta Sigma, or any individual or entity designated by the organization, may also publicize the availability of Phi Beta Sigma license plates in any manner the organization deems appropriate.

The provisions of the bill remain inoperative until the first day of the 13th month after the date on which the appropriate applications and fees required to offset the initial costs incurred by the commission are provided to the commission. The bill expires on the last day of the 12th month after enactment if sufficient applications and fees to offset the initial costs are not received.