# SENATE, No. 1161

# STATE OF NEW JERSEY

# 220th LEGISLATURE

INTRODUCED JANUARY 31, 2022

Sponsored by: Senator JOSEPH F. VITALE District 19 (Middlesex) Senator TROY SINGLETON District 7 (Burlington)

### **SYNOPSIS**

Changes current system for creation, issuance, administration, and discontinuance of various types of special license plates.

### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 3/24/2022)

1 AN ACT concerning the issuance of certain license plates, revising 2 various parts of the statutory law, and supplementing Title 39 of 3 the Revised Statutes.

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

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- 8 1. Section 1 of P.L.1987, c.374 (C.39:3-27.35) is amended to 9 read as follows:
- In [A] 1. a. As used in P.L.1987, c.374 (C.39:3-27.35 et seq.) and P.L., c. (C. ) (pending before the Legislature as this bill):
- "Alumni organization" means a non-profit organization which requires its members to be either graduates, former students, or benefactors of a specific post-secondary educational institution or educational organization.
- 16 <u>"Commission" means the New Jersey Motor Vehicle</u> 17 <u>Commission.</u>
  - "Community organization" means a non-profit organization, other than an alumni or service organization as defined in this subsection, which performs some type of philanthropic community service and which, in the discretion of the Chief Administrator of the New Jersey Motor Vehicle Commission, qualifies for the issuance of special registration plates.
  - "Dedicated cause plate" means a license plate bearing the name, initials, logotype, graphic, or identifying phrase of a social cause that generally impacts New Jersey residents, including but not limited to, the promotion of public health, education, the arts, sports and athletics, the environment, the improvement of societal injustices, or issues that concern the general welfare of all New Jersey residents.
  - "Organization plate" means a license plate bearing the name, initials, logotype, graphic, or identifying phrase of a sponsoring organization, which comprises members of a community, alumni, or service organization with common or shared professions, interests, educational backgrounds, or military service and has a method of determining membership or good standing in the organization.
- 37 <u>"Service organization" means a non-profit organization which</u>
  38 the Chief Administrator of the New Jersey Motor Vehicle
  39 Commission determines to have as its primary purpose the
  40 advancement of United States military veterans' causes and interests
  41 or the honoring of all or some veterans of any branch of the United
  42 States military.
- "Special registration plates" shall collectively refer to dedicated
   cause plates and organization plates.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

"Sponsoring organization" means a community organization, alumni organization, service organization, or government entity which is seeking approval from the commission for a special registration plate or which has been approved for the issuance of special registration plates pursuant to the provisions of P.L.1987, c.374 (C.39:3-27.35 et seq.).

b. The commission may issue, upon proper application therefore and payment of a \$50 fee in addition to the fees otherwise prescribed by law for the registration of a motor vehicle, a set of organization plates to any person who is a member in good standing of a [nonprofit community, alumni or service] sponsoring organization in the State, which has been approved by the [director] board of the commission pursuant to the provisions of [this act may be issued special organization vehicle registration plates] P.L.1987, c.374 (C.39:3-27.35 et seq.), to be displayed on a motor [vehicles] vehicle owned or leased by that person in place of standard registration plates.

c. The commission may issue, upon proper application therefore and payment of a \$50 fee in addition to the fees otherwise prescribed by law for the registration of a motor vehicle, a set of dedicated cause plates to any person to be displayed on a motor vehicle owned or leased by that person in place of standard registration plates.

The chief administrator shall collect annually, subsequent to the year of issuance, a \$10 fee for the dedicated cause plates in addition to the fees otherwise prescribed by law for the registration of a motor vehicle. The additional fees shall be deposited into a special non-lapsing fund created, pursuant to subsection f. of section 2 of P.L.1987, c.374 (C.39:3-27.36), to support the approved social cause for which the dedicated cause plates were created.

d. A person who receives special registration plates pursuant to this section shall be subject to the same laws and regulations governing standard registration plates.

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

2. Section 2 of P.L.1987, c.374 (C.39:3-27.36) is amended to read as follows:

[Special organization vehicle registration plates shall be issued subject to] 2. a. The board of the commission shall meet no less than twice annually at a regularly scheduled meeting of the board to consider the request of any sponsoring organization which has applied for approval of the issuance of special registration plates.

b. A sponsoring organization, which seeks the approval for the issuance of an organization plate, shall provide prior to the meeting of the board of the commission, in a form and following a procedure prescribed by the chief administrator, proof that the sponsoring organization has met the following conditions:

[a. Each] (1) The sponsoring organization [shall appoint an organization] has appointed a representative who will act as a liaison between the sponsoring organization and the [division] commission.

[b. The representative shall, upon] (2) The application, on behalf of [any member, provide] the sponsoring organization, includes a copy of the charter of the sponsoring organization [to the division], which shall indicate the organization's lawful purpose and a copy of the approval letter issued to the sponsoring organization by the United States Internal Revenue Service, which shall [also] provide proof of its nonprofit status.

[c. The representative shall submit an organization] (3) The application, on behalf of the sponsoring organization, includes a Certification of Membership [when requested by the division and, once the organization and a registration plate arrangement under subsection d. are approved, forward a fee of no more than \$75.00 as determined by the director for each set of special organization vehicle registration plates, in addition to fees otherwise prescribed by law, for these plates. The Certification of Membership], which shall be printed at the organization's expense and contain the organization's official letterhead, the location of the sponsoring organization's headquarters or base of operations in this State, the signature of the organization's representative, the total number of members in good standing residing in the State, the names and addresses of organization members requesting [special organization] vehicle registration sets of organization plates as a part of the initial order, and the present registration plate numbers of the vehicles of the members requesting organization plates as a part of the initial order.

[d. The representative also shall submit to the division] (4) The application includes the name or initials the organization wishes to be placed at the bottom of the plate and a logotype, graphic, or identifying phrase of the sponsoring organization. [The] If the sponsoring organization is a chapter or branch of an international, national, or regional organization, the chapter or branch shall obtain written authorization from the parent organization to use the name, initials, logotype, graphic, or identifying phrase of the parent organization; provided however, that 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.

c. A sponsoring organization, which seeks the approval for the issuance of a dedicated cause plate, shall provide prior to the meeting of the board of the commission, in a form and following a

- procedure prescribed by the chief administrator, proof that the sponsoring organization has met the following conditions:
- 3 (1) The sponsoring organization has appointed a representative 4 who will act as a liaison between the sponsoring organization and 5 the commission.

- (2) The application, on behalf of the sponsoring organization, includes a copy of the charter of the sponsoring organization, which shall indicate the organization's lawful purpose and a copy of the approval letter issued to the sponsoring organization by the United States Internal Revenue Service, which shall provide proof of its nonprofit status, or, if the sponsoring organization is a government entity, the legal citation for the statute pursuant to which the government entity was established.
- (3) The application, on behalf of the sponsoring organization, includes an Explanation of Social Impact, which shall be printed at the organization's expense and contain the organization's official letterhead, the location of the sponsoring organization's headquarters or base of operations in this State, the signature of the organization's representative, the social cause for which the dedicated cause plate shall be used to promote, the ways in which the revenue from the dedicated cause plates shall be utilized, the names and addresses of members of the public requesting sets of dedicated cause plates as a part of the initial order, and the present registration plate numbers of the vehicles of the members of the public requesting the dedicated cause plates as a part of the initial order.
  - Dedicated cause plates shall only be approved for a sponsoring organization which has as its primary purpose service to the general public or the promotion of a social cause that generally impacts New Jersey residents, including but not limited to, the promotion of public health, education, the arts, sports and athletics, the environment, the improvement of societal injustices, or issues that concern the general welfare of all New Jersey residents.
- (4) The application includes the name or initials the organization wishes to be placed at the bottom of the plate and a logotype, graphic, or identifying phrase that identifies the social cause that the dedicated cause plate shall promote. If the sponsoring organization is a chapter or branch of an international, national, or regional organization, the chapter or branch shall obtain written authorization from the parent organization to use the name, initials, logotype, graphic, or identifying phrase of the parent organization; provided however, that the use and arrangement of the name, initials, logotype, graphic, or identifying phrase of the social cause on the registration plates shall be in the sole discretion of the chief administrator.
- d. The chief administrator and the sponsoring organization
   which has been approved for the issuance of a special registration
   plate shall develop and enter into a memorandum of agreement

setting forth the procedures to be followed in carrying out their respective responsibilities in the creation of the special registration plates.

The number of the special registration plates to establish the initial order for the special registration plates and the fees, which shall offset the initial costs incurred by the commission for designing, producing, issuing, and publicizing the availability of the special registration plates, to accompany the initial order shall be prescribed by the chief administrator and set forth in the memorandum of agreement.

The fee prescribed by the chief administrator pursuant to this subsection for the initial order of special registration plates shall be paid to the commission prior to the manufacture of the special registration plates.

A sponsoring organization which has been approved for a special registration plate may solicit and collect a donation from individuals applying for a set of the special registration plates, except that the minimum required donation shall be the same for all applicants; shall be posted for public viewing wherever information regarding the availability of the special registration plates is advertised, listed, or communicated by the sponsoring organization; and may not be demanded of individuals by the sponsoring organization as a condition for the continued display of the plates.

- e. **[**Special organization vehicle **]** Special registration plates shall not be provided to any commercially registered vehicle or any motorcycle, unless approved by law or by the chief administrator prior to the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill).
- f. The initial order for plates shall be for no less than 500 members of the organization in good standing 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 Prior to the manufacture of a dedicated cause plate approved by the board of the commission, the chief administrator shall, in conjunction with the State Treasurer, create within the Department of the Treasury a special non-lapsing fund to support the approved social cause for which the dedicated cause plate was created.

Monies collected and deposited in the fund created for the approved social cause, pursuant to subsection c. of section 1 of P.L.1987, c.374 (C.39:3-27.35), shall be held in interest-bearing accounts in a public depository as defined pursuant to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or reinvested in securities approved by the State Treasurer. Interest or other income earned on monies deposited into the fund, and any monies which may be appropriated or otherwise become available for the purposes of the fund, shall be credited to and deposited in the fund for use as determined by the sponsoring organization, which has been

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1 approved by the board of the commission pursuant to the provisions 2 of P.L.1987, c.374 (C.39:3-27.35 et seq.). 3 (cf: P.L.1989, c.49, s.2) 4 5 3. Section 3 of P.L.1987, c.374 (C.39:3-27.37) is amended to 6 read as follows: 7 3. a. The [director] board of the commission shall have the sole 8 authority to make the final decision as to whether or not [an] a 9 sponsoring organization is approved for the issuance of [special 10 organization vehicle special registration plates to its members. 11 notwithstanding the sponsoring organization's compliance with 12 section 2 of P.L.1987, c.374 (C.39:3-27.36). 13 The board of the commission shall also have the sole discretion 14 to determine the number of sponsoring organizations that will be 15 approved for issuance of special registration plates in any fiscal 16 year. 17 b. The chief administrator shall have the sole discretion to 18 determine which special registration plates shall be made available 19 at commission field offices. The chief administrator shall also have 20 the sole discretion to determine which special registration plates 21 shall be made available at motor vehicle dealerships or on the 22 premises of approved third parties performing the vehicle 23 registration process. The determination shall be based on sales 24 volume, administrative costs, available storage space, and any other 25 factors which the chief administrator deems appropriate. 26 (cf: P.L.1987, c.374, s.3) 27 28 4. Section 4 of P.L.1987, c.374 (C.39:3-27.38) is amended to 29 read as follows: 30 The director shall have the right to suspend approval of any 31 organization granted permission to obtain special organization 32 vehicle registration plates on behalf of its members if the 33 organization: 34 4. a. [No longer qualifies according to the provisions of this act; or I The board of the commission may, upon the chief 35 administrator's recommendation, discontinue the production of, 36 37 prohibit new sales of, and suspend any annual renewal fees of any 38 special registration plate approved pursuant to P.L.1987, c.374 39 (C.39:3-27.35 et seq.) if, following the effective date of P.L. 40 c. (C. ) (pending before the Legislature as this bill): 41 (1) fewer than 500 sets of the special registration plates have 42 been sold in the first full State fiscal year of sales after the effective 43 date of P.L., c. (C. ) (pending before the Legislature as this 44 bill); 45 (2) in the most recent full State fiscal year, the revenue derived

47 the particular fund or cause, is less than \$7,500;

from the annual renewal fees, which is dedicated to the support of

- 1 (3) after a fiscal analysis conducted by the commission, the 2 chief administrator determines that it is no longer cost effective to 3 produce the special registration plate and offer it for sale;
- 4 (4) the commission determines that the sponsoring organization 5 is no longer qualified, under the provisions of P.L.1987, c.374 6 (C.39:3-27.35 et seq.), for the type of special registration plate for 7 which the sponsoring organization has applied; or
  - (5) the sponsoring organization has perpetrated fraud against the commission in obtaining a special registration plate.

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- [Has perpetrated a fraud against the Division of Motor 10 11 Vehicles in obtaining special plates for its members <u>I Upon</u> 12 discontinuance of the issuance of an organization plate or a 13 dedicated cause plate issued pursuant to P.L.1987, c.374 (C.39:3-14 27.35 et seq.), the special registration plate shall no longer be 15 offered for sale or advertised by the commission and the sponsoring 16 organization shall not advertise the sale of the plate. A person who 17 owns a motor vehicle displaying valid special registration plates 18 which have been discontinued, may continue to display those plates on the person's motor vehicle until the plates are recalled by the 19 20 chief administrator, provided the motor vehicle's registration is 21 properly renewed, the special registration plates remain legible, and 22 the person is eligible to display the special registration plates 23 pursuant to section 3 of P.L.1959, c.56 (C.39:3-33.5).
  - The chief administrator shall have the sole discretion to determine whether replacement or duplicate registration plates shall be issued for any special registration plate which has been discontinued, if the plates are destroyed, lost, stolen, or mutilated.
- 28 c. Upon the discontinuance of a dedicated cause plate issued 29 pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.), the commission 30 shall cease to collect any renewal fee established for the dedicated 31 cause plate. The commission shall remit any remaining revenue 32 generated through the annual renewal fees of the dedicated cause 33 plates to the funds established pursuant to section 2 of 34 P.L.1987, c.374 (C.39:3-27.36) or the causes that the dedicated 35 cause plates support in the first full State fiscal year after 36 discontinuance of the dedicated cause plates.
  - An entity or organization which receives revenues generated through the issuance or renewal fees of a dedicated cause plate issued pursuant to P.L.1987, c.374 (C.39:3-27.35 et seq.) which has been 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.
- 45 (cf: P.L.1987, c.374, s.4)

5. (New section) a. All special registration plates issued pursuant to the following shall be known and referred to as

organization plates for the purposes of P.L. c. (C. )
(pending before the Legislature as this bill):

- (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. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, the board of the commission may, upon the chief administrator's recommendation, discontinue the production of and prohibit new sales of any organization plate established pursuant to the sections of law enumerated in subsection a. of this section if:
  - (1) the sponsoring organization of the organization plate fails to comply with the provisions of State law governing the use of special registration plates;
  - (2) fewer than 500 sets of the organization plates have been sold in the first full State 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 organization plate and offer it for sale;
  - (4) the commission determines that the sponsoring organization is no longer qualified for an organization 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 organization plates for its members.
  - c. Upon discontinuance of an organization plate established pursuant to the sections of law enumerated in subsection a. of this section, the organization plate shall no longer be offered for sale or advertised by the commission and the sponsoring organization shall not advertise the sale of the plate. A person who owns a motor vehicle displaying valid organization plates for which the commission has discontinued, 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, the special registration plates remain legible, and the person is eligible to display the special registration plates pursuant to section 3 of P.L.1959, c.56 (C.39:3-33.5).

The chief administrator shall have the sole discretion to determine whether replacement or duplicate registration plates shall be issued for any organization plate for which the commission has discontinued, if the plates are destroyed, lost, stolen, or mutilated.

6. (New section) a. All special registration plates issued pursuant to the following shall be known and referred to as dedicated cause plates for the purposes of P.L. c. (C. ) (pending before the Legislature as this bill):

- 1 (1) coastal protection registration plates issued pursuant to 2 section 2 of P.L.1993, c.168 (C.39:3-27.48);
- 3 (2) animal welfare registration plates issued pursuant to section 4 1 of P.L.1993, c.184 (C.39:3-27.55);
- 5 (3) United States Olympic registration plates issued pursuant to section 2 of P.L.1995, c.176 (C.39:3-27.62);
- 7 (4) Battleship U.S.S. New Jersey registration plates issued 8 pursuant to section 1 of P.L.1995, c.252 (C.39:3-27.67);
- 9 (5) historic preservation registration plates issued pursuant to 10 section 2 of P.L.1995, c.368 (C.39:3-27.73);
- 11 (6) shade tree and community forest preservation registration 12 plates issued pursuant to section 10 of P.L.1996, c.135 (C.39:3-13 27.79);
- 14 (7) Pinelands preservation registration plates issued pursuant to 15 section 1 of P.L.1996, c.147 (C.39:3-27.85);
- 16 (8) Barnegat Bay Decoy and Baymen's Museum registration 17 plates or other maritime history or marine life preservation project 18 registration plates issued pursuant to section 3 of 19 P.L.1997, c.74 (C.39:3-27.86);
- 20 (9) "Conquer Cancer" registration plates issued pursuant to section 1 of P.L.1997, c.92 (C.39:3-27.90);
- 22 (10) Liberty State Park registration plates issued pursuant to 23 section 2 of P.L.1997, c.195 (C.39:3-27.92);
- 24 (11) Meadowlands conservation registration plates issued 25 pursuant to section 9 of P.L.1999, c.31 (C.39:3-27.100);
- 26 (12) Deborah Heart and Lung Center registration plates issued 27 pursuant to section 1 of P.L.1999, c.354 (C.39:3-27.107);
- 28 (13) "Promote Agriculture" registration plates issued pursuant to section 1 of P.L.2001, c.13 (C.39:3-27.116);
- 30 (14) law enforcement officer memorial registration plates issued 31 pursuant to section 2 of P.L.2001, c.41 (C.39:3-27.123);
- 32 (15) "Be An Organ Donor" registration plates issued pursuant to 33 section 1 of P.L.2001, c.164 (C.39:3-27.127);
- 34 (16) "United We Stand" registration plates issued pursuant to section 2 of P.L.2002, c.52 (C.39:3-27.132);
- 36 (17) Omega Psi Phi registration plates issued pursuant to section 37 1 of P.L.2013, c.273 (C.39:3-27.144);
- 38 (18) Alpha Kappa Alpha registration plates issued pursuant to section 1 of P.L.2014, c.90 (C.39:3-27.146);
- 40 (19) military veteran motorcycle registration plates issued 41 pursuant to section 1 of P.L.2017, c.193 (C.39:3-27.148);
- 42 (20) "Equality" registration plates issued pursuant to section 1 43 of P.L.2017, c.279 (C.39:3-27.150);
- 44 (21) Delta Sigma Theta registration plates issued pursuant to 45 section 1 of P.L.2018, c.109 (C.39:3-27.152);
- 46 (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);

- (24) "Support Recovery" license plates issued pursuant to section 1 of P.L.2019, c.325 (C.39:3-27.158); and
- (25) wildlife conservation registration plates issued pursuant to section 1 of P.L.1993, c.119 (C.39:3-33.10).
  - b. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, the board of the commission may, upon the chief administrator's recommendation, discontinue the production of, prohibit new sales of, and suspend the annual renewal fees for any dedicated cause plate established pursuant to the sections of law enumerated in subsection a. of this section if, following the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill):
  - (1) fewer than 500 sets of the dedicated cause plates have been sold in the first full State fiscal year of sales after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill);
  - (2) in the most recent full State fiscal year, the revenue derived from the initial or annual renewal fees, which is dedicated to the support of the particular fund or cause, is less than \$7,500;
  - (3) after a fiscal analysis conducted by the commission, the chief administrator determines that it is no longer cost effective to produce the dedicated cause plate and offer it for sale;
  - (4) the commission determines that the sponsoring organization is no longer qualified for a dedicated cause 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 a dedicated cause plate.
  - c. Prior to the discontinuance of any dedicated cause plate enumerated in subsection a. of this section, the chief administrator shall notify the sponsoring organization of the commission's decision to discontinue the dedicated cause plate. Not later than the first day of the sixth month following the receipt of the commission's notice to discontinue, an eligible sponsoring organization may apply, in accordance with the provisions of P.L.1987, c.374 (C.39:3-27.35 et seq.) to be approved by the board of the commission to have the special registration plate reissued as an organization plate.
  - d. Upon discontinuance of the issuance of a dedicated cause plate established pursuant to the sections of law enumerated in subsection a. of this section, the dedicated cause plate shall no longer be offered for sale or advertised by the commission and the sponsoring organization shall not advertise the sale of the plate. A person who owns a motor vehicle displaying valid dedicated cause plates which have been discontinued, 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, the registration plates remain legible, and the

1 person is eligible to display the special registration plates pursuant 2 to section 3 of P.L.1959, c.56 (C.39:3-33.5).

3 The chief administrator shall have the sole discretion to 4 determine whether replacement or duplicate registration plates shall 5 be issued for any dedicated cause plate for which the commission 6 has discontinued, if the plates are destroyed, lost, stolen, or 7 mutilated.

e. Upon the discontinuance of a dedicated cause plate established pursuant to the sections of law enumerated in subsection a. of this section, the commission shall cease to collect any fee established by law for the renewal of the dedicated cause plate. The commission shall remit any remaining revenue generated through the annual renewal fees of the dedicated cause plates to the statutorily established funds or the causes those plates support in the first full State fiscal year after discontinuance of the dedicated cause plates.

An entity or organization which receives revenues generated through the issuance or renewal fees of a dedicated cause plate which has been 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.

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- 7. Section 5 of P.L.1987, c.374 (C.39:3-27.39) is amended to read as follows:
- 26 27 5. Pursuant to the "Administrative Procedure Act,"
- P.L.1968, c.410 (C.52:14B-1 et seq.), the [director] 29 administrator may adopt rules and regulations governing the design,
- 30 issuance, and use of [these vehicle] special registration plates and
- 31 any other rules and regulations which may be necessary to
- 32 effectuate the purposes of P.L.1987, c.374 (C.39:3-27.35 et seq.) 33
- and P.L., c. (C. ) (pending before the Legislature as this 34
- bill) including, but not limited to, the nature of the documentation 35 to be used as proof of nonprofit status, definitions or classifications
- 36 of community, alumni, and service organizations, and procedures
- 37 for the return of [special organization vehicle] special registration
- 38 plates from persons who are no longer members in the approved
- 39 sponsoring organization or who have been convicted of any 40 violation pursuant to section 3 of P.L.1959, c.56 (C.39:3-33.5).
- 41 (cf: P.L.1987, c.374, s.5)

- 43 8. Section 1 of P.L.1999, c.192 (C.39:3-33a) is amended to 44 read as follows:
- 45 1. Whenever the [Division of Motor Vehicles] New Jersey 46 Motor Vehicle Commission is authorized to charge an additional application fee for the issuance of a personalized, courtesy, or 47

- special [license] registration plate, the [division] commission shall 1 2 charge that additional application fee only upon the initial issuance 3 of the plate. If a personalized, courtesy, or special registration plate 4 is issued to a lessee in a motor vehicle leasing agreement, upon 5 termination of the lease the lessee may apply to the [director] chief 6 <u>administrator</u> to have the plate reissued to another motor vehicle 7 leased or owned by the lessee upon payment of a fee [of \$4.50] to 8 be determined by the chief administrator. If a personalized, 9 courtesy, or special [license] registration plate is issued to an owner of a motor vehicle, the owner may apply to the [director] 10 11 chief administrator to have the plate reissued to another motor 12 vehicle leased or owned by the owner upon payment of a fee [of 13 \$4.50] to be determined by the chief administrator. Nothing in this 14 section shall be construed as prohibiting the **[**division**]** commission 15 from charging, at the time of annual registration renewal, the 16 payment of the additional fee which has been required under any

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20 9. Section 1 of P.L.2001, c.35 (C.39:3-33b) is amended to read 21 as follows:

other section of law for a special [license] registration plate.

- 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] 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.
- 29 b. The fees for the subsequent sets in a series shall be 30 prescribed by the **[**director**]** chief administrator.
- 31 The chief administrator may promulgate rules and 32 regulations to effectuate the purposes of this act.
- 33 (cf: P.L.2004, c.91, s.1)

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

- 35 10. Section 3 of P.L.1959, c.56 (C.39:3-33.5) is amended to read 36 as follows:
- 37 3. Except as provided for courtesy marks in section 2 of 38 P.L.2000, c.15 (C.39:3-33.5a), [no] a particular identifying mark, 39 personalized license plate, or special [organization license] 40 registration plate issued pursuant to P.L.1987, c.374 (C.39:3-27.35 41 et seq.) [may] shall not be issued to any applicant who:
- 42 (a) for the 10-year period [next preceding] prior to the date of 43 application for a particular identifying mark or special organization 44 license plate has been convicted of a violation of either [section] 45 <u>R.S.</u>39:4-50, [or section] <u>R.S.</u>39:4-96 [of this Title], or section 2 46 of P.L.1966, c.142 (C.39:4-50.2) or has been convicted of a

1	violation	of	a	law	of	a	substantially	similar	nature	in	another
2	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] <u>prior to the date</u> of application for a particular identifying mark, <u>personalized license</u> <u>plate</u>, or a special [organization license] <u>registration</u> 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)

- 11. The following sections of law are repealed:
- 13 Section 1 of P.L.1958, c.120 (C.39:3-27.2); and
  - Section 6 of P.L.1987, c.374 (C.39:3-27.40).

12. This act shall take effect on the first day of the thirteenth 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 for issuance of special license plates, which may be issued to New Jersey drivers in place of standard license plates.

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

- 1) statutorily-established special license plates, which honor or recognize a person's affiliation with a certain group or organization;
- 2) statutorily-established dedicated cause special license plates, which support statutorily-established funds or social causes; and
- 3) special organizational vehicle registration plates, which are approved by the MVC for certain nonprofit alumni, community, or service organizations upon application to the MVC.

The bill collectively refers to special license plates as "special registration plates," and divides the plates into two categories: "organization plates"; and "dedicated cause plates." The bill maintains elements of the current system by permitting a sponsoring organization to apply for and seek approval from the MVC for the issuance of an organization plate, but adds to that system by permitting a sponsoring organization to also apply directly to the MVC for the issuance of a dedicated cause plate and by permitting the MVC to phase out statutorily-established and MVC-established special registration plates that no longer meet certain criteria. Under the bill, the board of the MVC is to meet at least twice

annually to consider the request of any sponsoring organization that has applied for a special registration plate.

#### **Organization Plates**

The bill defines "organization plate" to mean a license plate bearing the name, initials, logotype, graphic, or identifying phrase of a sponsoring organization, which comprises members of a community, alumni, or service organization with common or shared professions, interests, educational backgrounds, or military service and has a method of determining membership or good standing in the organization.

A sponsoring organization that seeks the approval for the issuance of an organization plate is required to provide prior to the meeting of the board of the MVC, in a form and following a procedure prescribed by the chief administrator, proof that the sponsoring organization has met the following conditions:

- -- The sponsoring organization has appointed a representative who will act as a liaison between the sponsoring organization and the MVC.
- -- The application includes a copy of the charter of the sponsoring organization that indicates the organization's lawful purpose and a copy of the approval letter issued to the sponsoring organization by the Internal Revenue Service to provide proof of its nonprofit status.
- -- The application includes a Certification of Membership, which contains the organization's official letterhead, the location of the sponsoring organization's headquarters or base of operations in New Jersey, the signature of the organization's representative, the total number of members in good standing residing in New Jersey, the names and addresses of organization members requesting organization plates as a part of the initial order, and the present registration plate numbers of the vehicles of the members requesting organization plates as a part of the initial order.
- -- The application includes the name or initials the organization wishes to be placed at the bottom of the plate and a logotype, graphic, or identifying phrase of the sponsoring organization. If the sponsoring organization is a chapter or branch of an international, national, or regional organization, the chapter or branch is required to obtain written authorization from the parent organization to use the name, initials, logotype, graphic, or identifying phrase of the parent organization; provided however, that the use and arrangement on the registration plates will be in the sole discretion of the chief administrator.

The chief administrator and a sponsoring organization that has been approved are to develop and enter into a memorandum of agreement setting forth the procedures to be followed in carrying out the respective responsibilities in the creation of the special registration plates, including the number of the special registration plates to establish the initial order and the amount of fees to offset the initial costs incurred by the MVC for designing, producing, issuing, and publicizing the availability of the special registration plates to be paid to the MVC prior to the manufacture of the special registration plates.

Any person who is a member in good standing of a sponsoring organization that has been approved for an organization plate may apply to receive a set of organization plates after the payment of a \$50 fee as well as all other fees required by law for the registration of a motor vehicle.

### **Dedicated Cause Plates**

The bill defines "dedicated cause plate" to mean a license plate bearing the name, initials, logotype, graphic, or identifying phrase of a social cause that generally impacts New Jersey residents, including but not limited to, the promotion of public health, education, the arts, sports and athletics, the environment, the improvement of societal injustices, or issues that concern the general welfare of all New Jersey residents.

A sponsoring organization that seeks approval for the issuance of a dedicated cause plate is to provide prior to the meeting of the board of the MVC, in a form and following a procedure prescribed by the chief administrator, proof that the sponsoring organization has met the following conditions:

- -- The sponsoring organization has appointed a representative who will act as a liaison between the sponsoring organization and the MVC.
- -- The application includes: a copy of the charter of the sponsoring organization that indicates the organization's lawful purpose and a copy of the approval letter issued to the sponsoring organization by the Internal Revenue Service to provide proof of its nonprofit status; or, if the sponsoring organization is a government entity, the legal citation for the statute pursuant to which the government entity was established.
- -- The application includes an Explanation of Social Impact that contains the organization's official letterhead, the location of the sponsoring organization's headquarters or base of operations in New Jersey, the signature of the organization's representative, the social cause for which the dedicated cause plate will be used to promote, the ways in which the revenue from the dedicated cause plates will be utilized, the names and addresses of members of the public requesting sets of dedicated cause plates as a part of the initial order, and the present registration plate numbers of the vehicles of the members of the public requesting the dedicated cause plates as a part of the initial order.

Dedicated cause plates are to only be approved for a sponsoring organization that has as its primary purpose service to the general public or the promotion of a social cause that generally impacts

New Jersey residents, including but not limited to, the promotion of public health, education, the arts, sports and athletics, the environment, the improvement of societal injustices, or issues that concern the general welfare of all New Jersey residents.

-- The application includes the name or initials the organization wishes to be placed at the bottom of the plate and a logotype, graphic, or identifying phrase that identifies the social cause that the dedicated cause plate will promote. If the sponsoring organization is a chapter or branch of an international, national, or regional organization, the chapter or branch is required to obtain written authorization from the parent organization to use the name, initials, logotype, graphic, or identifying phrase of the parent organization; provided however, that the use and arrangement on the registration plates are to be in the sole discretion of the chief administrator.

The chief administrator and the sponsoring organization that has been approved are to develop and enter into a memorandum of agreement setting forth the procedures to be followed in carrying out their respective responsibilities in the creation of the special registration plates, including the number of the special registration plates to establish the initial order and the amount of fees to offset the initial costs incurred by the MVC for designing, producing, issuing, and publicizing the availability of the special registration plates to be paid to the MVC prior to the manufacture of the special registration plates.

Any person may apply to receive a set of dedicated cause plates after the payment of a \$50 fee and a \$10 annual renewal fee, as well as all other fees required by law for the registration of a motor vehicle. The additional fees are to be deposited into a special non-lapsing fund created to support the approved social cause for which the dedicated cause plates were created. The chief administrator, in conjunction with the State Treasurer, is required to create a special non-lapsing fund before the MVC manufactures a dedicated cause plate.

#### Discontinuance of Special Registration Plates

Under existing law, the chief administrator has the authority to suspend 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.

The bill expands this authority by permitting, but not requiring, the MVC to discontinue, prohibit new sales of, and suspend any annual renewal fees of any special registration plates established by the MVC and certain statutorily-established special registration plates enumerated in the bill, if:

-- for certain organization plates, the sponsoring organization of the organization plate fails to comply with the provisions of State law governing the use of special registration plates;

- -- fewer than 500 sets of the special registration plates have been sold in the first full fiscal year of sales after the effective date of the bill:
  - -- in the most recent full fiscal year, the revenue derived from the fees, which are dedicated to the support of the particular fund or cause, is less than \$7,500;
  - -- after a fiscal analysis conducted by the MVC, the chief administrator determines that it is no longer cost effective to produce the special registration plate and offer it for sale;
  - -- the MVC determines that the sponsoring organization is no longer qualified for the type of special registration plate for which the sponsoring organization has applied; or
  - -- the sponsoring organization has perpetrated fraud against the MVC in obtaining a special registration plate.

A person who owns a motor vehicle displaying valid, yet discontinued, special registration plates 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, the special registration plates remain legible, and the person is eligible to display the special registration plates pursuant to law.

# Special Provisions for the Discontinuance of Dedicated Cause Plates

Prior to the discontinuance of any statutorily-established dedicated cause plate, the chief administrator is required to notify the sponsoring organization of the MVC's decision to discontinue the dedicated cause plate. Not later than the first day of the sixth month following the receipt of the MVC's notice to discontinue, an eligible sponsoring organization may apply to have the special registration plate reissued as an organization plate.

Upon the discontinuance of a dedicated cause plate, the MVC is to cease collecting any fee established by law for the renewal of the dedicated cause plate. The MVC is required to remit any remaining revenue generated through the annual renewal fees of the dedicated cause plates to the statutorily established funds or the causes those plates support in the first full fiscal year after discontinuance of the dedicated cause plates.

An entity or organization which receives revenues generated through the issuance or renewal fees of a dedicated cause plate which has been discontinued 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.

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

Under the bill, the chief administrator has the sole authority to determine which special registration plates are to be made available at MVC field offices and motor vehicle dealerships.

Finally, in order to prevent the potential abuse of certain special registrations that are issued by the MVC 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.