

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1472

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 4, 2024

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 1472.

As amended and reported, this bill empowers the Department of Transportation (department) to establish and administer a system to adjudicate and enforce the collection of motor vehicle tolls imposed by the New Jersey tolling entities, which include the New Jersey Turnpike Authority, the South Jersey Transportation Authority, the Burlington County Bridge Commission, and any interstate tolling entity with which New Jersey is a member of the enabling compact and has entered into a reciprocity agreement with the department for the purposes of toll enforcement that authorizes the department to suspend or deny motor vehicle registration privileges for toll violators in accordance with the provisions of the bill.

Under the bill, upon notification from a New Jersey tolling entity, the department may direct the New Jersey Motor Vehicle Commission (commission) to suspend the motor vehicle registration of the owner of a motor vehicle that has accumulated either: (1) unpaid tolls and fees collectively totaling \$500 or more over the past three years; or (2) has six or more unpaid toll violations, with at least one violation having occurred after the effective date of the bill. Upon notification from a New Jersey tolling entity that a motor vehicle registration meets the threshold for suspension, the department is authorized to direct a suspension even if the unpaid tolls and fees are reduced below \$500 by a partial satisfaction of the outstanding toll amounts. The suspension is to remain in effect until the department is satisfied that the entirety of all outstanding tolls and fees are paid, dismissed, reversed on appeal or stayed, or that the violator has entered into a payment agreement with the department, provided, however, that the suspension may be reimposed for noncompliance with a repayment agreement.

Prior to directing the suspension of a motor vehicle registration, the department is to provide the registered owner with written notice and afford the owner the opportunity to be heard and appeal in a manner sufficient to address whether the suspension is based on a false, mistaken, or unjustified claim. If the violator fails to dispute or satisfy such unpaid tolls, fees, and costs or if, after being given the opportunity to be heard by the department, the violator has not demonstrated that the

claim is false, mistaken, or unjustified, the department is to issue a final agency decision and direct suspension of the violator's motor vehicle registration. Upon receipt of the department's direction to suspend a registration and a copy of the final decision issued by the department, the commission is required to issue an order denying or suspending the registration via mail to the registered owner's address. The registered owner would not have the right to a hearing before the commission after the department has issued a final agency decision and directed the suspension of the registered owner's registration.

The bill also empowers the department to direct the commission to suspend the registration of a motor vehicle, upon receiving notification from an out-of-state tolling entity, interstate tolling entity, or another state for unpaid toll violations, pursuant to the terms and conditions of a reciprocity agreement entered into between the department and the out-of-state tolling entity, interstate tolling entity, or other state. The department is also empowered to enter into reciprocal agreements with out-of-state tolling entities, interstate tolling entities, or other states to implement a system of unpaid toll collections and enforcement, providing for the suspension of New Jersey motor vehicle registrations for the non-payment of tolls and fees assessed by an out-of-state or interstate tolling entity or another state and the allocation of administrative expenses.

The bill provides that in any proceeding authorized by the bill, documents obtained from the New Jersey tolling entities, the commission, the out-of-state tolling entity, the interstate tolling entity, or another state, or their agents are to be admissible into evidence to support the unpaid toll violations, are to constitute documents of the department, and are to be prima facie proof of the facts contained in the documents.

The bill provides that no suspension may be imposed more than three years after a violation is committed.

Under the bill, the department, in consultation with the New Jersey tolling entities, is to establish an amnesty program that permits the reduction of 25 percent of unpaid tolls of \$500 or more if all outstanding tolls are otherwise paid in their entirety. The amnesty program is to be open to all violators with cumulative unpaid tolls of \$500 or more incurred prior to the effective date of the bill, except that the amnesty program is to end 180 days after the effective date of the bill.

Any tolls and fees collected are to be paid directly to the relevant New Jersey tolling entity, out-of-state tolling entity, interstate tolling entity, or other state, and tolls and fees collected by the department, as an agent of the New Jersey tolling entities or as an agent of the out-of-state tolling entity, interstate tolling entity, or other state are not to become part of the General Fund. Nothing in the bill is to be construed to limit the ability of a New Jersey tolling entity to recoup unpaid tolls, fees, and costs by any means available.

The department may negotiate interagency agreements with the New Jersey tolling entities and may include provisions in reciprocity agreements with out-of-state tolling entities, interstate tolling entities, or other states to fund the administrative expenses of the department in enforcing the collection of tolls and fees under the bill. The department may establish minimum fees related to the administration of the bill, which may be increased at the discretion of the department.

The bill provides that the authority of the New Jersey tolling entities, under current law, would not be limited by the new authority provided to the department to collect the civil penalties and tolls or to direct the suspension of a motor vehicle registration on behalf of the New Jersey tolling entities, or an out-of-state tolling entity, interstate tolling entity, or another state with which the department has entered into a reciprocity agreement pursuant to the bill

The bill also changes certain penalties that may be imposed by the New Jersey Turnpike Authority and South Jersey Transportation Authority.

As amended and reported by the committee, Senate Bill No. 1472 is identical to Assembly Bill No. 5799, which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to provide the following changes to the bill:

(1) remove the requirement for the toll collection system, to be established and administered by the department pursuant to the bill, to monitor the collection of motor vehicle tolls imposed by each New Jersey tolling entity. As introduced, the bill would have required the department to establish a system to monitor, adjudicate, and enforce the collection of motor vehicle tolls. As amended, the system would only be required to adjudicate and enforce the collection of motor vehicle tolls;

(2) change the penalties associated with certain violations issued by the New Jersey Turnpike Authority, including toll violations. Under current law, the penalty would be a fine in an amount not to exceed \$500. As amended, the penalty would be a fine of \$100 for a first violation and a fine in an amount not to exceed \$600 for each subsequent violation;

(3) remove the requirement for the department to establish minimum fees related to the administration of the bill and instead, provide that the department may establish minimum fees related to the administration of the bill;

(4) require the department to issue a final agency decision prior to directing the suspension of an owner's motor vehicle registration;

(5) require the commission, after receiving the department's direction to suspend a registration and a copy of the department's final

agency decision, to suspend an owner's motor vehicle registration and provide notification of the suspension via mail;

(6) provide that the registered owner would not have the right to a hearing before the commission after the department has issued a final agency decision and directed suspension of the registered owner's registration;

(7) remove reference to the Office of Administrative Law as it relates to the appeal of any suspension decision or order of the department;

(8) remove the requirement for an administrative hearing or administrative proceeding to be held for certain violations and instead, require the registered owner of the motor vehicle to be given the opportunity to be heard by the department; and

(9) make grammatical corrections and changes to certain citations.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.