

**2008 WRITTEN BUDGET TESTIMONY – Final Version
SHARON A. HARRINGTON, CHIEF ADMINISTRATOR
NJ MOTOR VEHICLE COMMISSION**

Good morning Mr. Chairman and members of the committee.

Another fiscal year has passed and the Motor Vehicle Commission (MVC) has continued to reach many milestones envisioned by the Fix DMV Commission more than five years ago. Our organization has seen significant progress over a short period of time in the areas of security, safety and customer service. Through major changes to our business processes, security measures, training efforts and overall mindset, we have taken the foundation of the former Division of Motor Vehicles (DMV) and established a new organization committed to security, safety and service. As the public face of government, it is our responsibility to ensure that we have a sustainable organization that effectively accomplishes its mission and is responsive to the taxpayers. It is through our mission that we seek to strike a balance between customer service and fiscal responsibility.

In the last 12 months, the MVC has accomplished much in its effort to become a **model for excellence in motor vehicle services**. With well-planned actions and carefully considered initiatives, we seek to return to our core mission. We continue to streamline and modernize every aspect of our operations in an effort to meet the expectations of our customers. Moving forward, we will continue to look at mergers, consolidations and staffing changes that will allow us to offer the best, most efficient service possible.

In this budget process, we have made tough, but necessary choices and presented \$20 million in reductions that come from all areas within the MVC. One such reduction that we will move forward with is the elimination of weekday, late night service at our agencies. There has been much media attention paid to a looming proposal to eliminate our Saturday agency operations. After a thorough evaluation, we determined that weekend operations, hour-for-hour, dollar-for-dollar, presented a more cost-efficient operation than evening hours. Elimination of our late night hours will allow us to reduce agency part-time hours by 50 percent and produce a savings of \$4 million for this state.

As we move ahead with efficiencies such as this, we will remain in contact with the members of the Legislature. In the very near future, we will reach out to you to discuss the MVC's efforts to remain a stable and sustainable organization and ensure that the organization maintains its positive progress.

It is through our ongoing efforts that the MVC has excelled in a number of areas and brought about positive change that benefits the motoring public. There are many achievements I will cite from the last year, but one of the most significant came in the form of *MVC Forward: Strategies for Excellence*. This 90-page document, which many of you received last year, is the culmination of

recommendations from the MVC's five statutorily-created advisory councils, stakeholders, customers and other interested parties. The recommendations, which built on those put forth by the Fix DMV Commission, address a number of issues related to security, safety, service, business operations, technology and fiscal responsibility. They allowed us to assess our achievements to date and determine where we should focus our resources in the years ahead. The goal of *MVC Forward* was to ensure a sustainable organization and map out a blueprint for our organization's future.

Your constituents, our customers, have experienced these positive improvements. It is our intention to continue this success and prevent a return to the ways of the old DMV. To accomplish this, we moved ahead with our *MVC Forward* legislation, which garnered great support from members of the Legislature, who recognized the need to cement the progress the MVC has made. Signed into law in January, the legislation represented your unwavering commitment to the MVC, which will allow us to keep our commitment to the motorists of New Jersey.

MVC Forward's legislative changes provide our organization with the ability to bring even more efficient and effective service to the public and lay the groundwork for future financial stability. The legislation allows the MVC to operate within its means by appropriately covering the cost of doing business and also ensures continued funding critical to our ongoing security improvements. Overall, the legislation put the MVC on a path that will allow us to properly and effectively deal with the challenges we currently face and those that lie ahead. The challenges will require much work, but also a commitment of funding to appropriately manage them. This is why it is crucial that the MVC take the necessary steps to ensure its financial sustainability. At this time, the MVC is working on major projects and initiatives that will dramatically affect the future of the organization.

While our accomplishments to date should be recognized, it is important to remember that motor vehicle services in New Jersey are far from fixed. There is still much more to do. I would now like to expand on the projects and initiatives that we are working on at this time and address the significant progress we have made.

TECHNOLOGY

As you hear consistently, the MVC's antiquated, 30-year-old computer system, known as the Comprehensive or Legacy System **must** be overhauled. As the core technology of our operations, it is essential that this system is up-to-date. Failure to do so will affect our primary functions and many other responsibilities that fall to the MVC. Since I last appeared before the committee, we have taken a number of positive steps forward on our critical, multi-year Motor Vehicle Automated Transaction System (MATRX) project. We are a few short weeks away from awarding the contract for MATRX, a comprehensive, integrated solution that addresses the core business functions of the MVC, including driver and business

licensing, vehicle titling and registrations, and driver record management. This project will improve communications with government entities, business partners and other groups; improve our ability to adapt to legislative mandates in a timely fashion; enhance technology to allow customers to conduct more transactions online instead of in-person; increase fraud prevention; and allow the MVC to make better business decisions well into the future.

Further advances have been made with ORACLE, another component of our MATRX project that has already begun and will revolutionize the MVC's internal operations. The ORACLE eBusiness Suite project, which consists of three modules, will improve the accounting, budgeting and warehouse inventory functions throughout the MVC. Presently, the ORACLE eBusiness General Ledger tracks revenues and will soon also track expenditures. It will also provide salary and non-salary data in greater detail than currently possible. We anticipate that this module will vastly improve our reporting of revenue. The second component, ORACLE Budget, will allow enhanced preparation of fiscal year budget requirements and track actual to projected expenditures, as well as standardize and streamline the budgeting process and functions within the MVC. The third component of ORACLE is the Warehouse Management System (WMS), which brought the MVC's Warehouse operations to a new level of efficiency by incorporating a paperless inventory tracking system, timely order fulfillment, accurate validation of all warehouse activities, and an automated inventory control process. A 2004 audit finding reinforced the need for a system such as this, which allows for accurate and immediate information on the quantity, location, condition, status and history of any item in the warehouse at any time. There is up-to-the-minute notification when replenishment of stock items is needed and a full audit report of every product moved through the warehouse. It is our intention to bring connectivity of the WMS into our agencies and regional service centers to allow for better communication with our warehouse in the future.

Another technology success is the statewide roll-out of another MVC business solution, the Point of Service (POS) system. The POS system is a separate, but integral part of the MATRX project. In the simplest terms, when fully implemented, the POS system will provide a modernized cash register system with tremendous operation benefits. With complete transaction monitoring capabilities, this primary revenue collection point system will allow the MVC to securely manage operations with through full daily audit support for each individual terminal operated by MVC employees. Not only will the MVC's business process improve, but security of these daily transactions will be dramatically enhanced. The POS system project will resolve many of the technology and security issues originally outlined in the Fix DMV Final Report. Together with MATRX and credit card acceptance, the POS system is a necessary and welcomed addition to the MVC's business operations.

With Mount Holly slated as the first agency to go live with POS in May and final implementation planned for September 2008, the POS system will bring a better accounting of the thousands of financial transactions conducted by the MVC on a

daily basis. With improved accuracy and record keeping, the MVC predicts it will be able to ensure its financial stability down to the penny. The POS system will also provide the MVC with the substantial benefit of expanded theft prevention. Through easy access to individual daily accounting reports and our own internal auditing, we can build on the progress we have made in establishing a more secure work environment and weeding out the potential for fraud and abuse. Gone will be the days of the stand alone cash register and a manual accounting of the dollars that the MVC collects.

The MVC continues to investigate emerging technology in other ways. We hope to address the future challenges of driver testing through a planned infrastructure improvement – the replacement of the outdated, Automated Driver License Testing (ADLT) system. The ADLT system is the primary computer-based testing system used at MVC Driver Testing Centers. The present system consists of outdated hardware and software and presents an overall lack of communication through an organized network. Replacing the current system will allow for better management of driver testing, including upgrades to actual tests, greatly improved communications through an organized computer network and enhanced security to prevent fraud and potential computer-related virus threats. We are presently working with the Office of Information Technology (OIT) in reviewing the ADLT replacement plan to determine if it can support the new system.

CUSTOMER SERVICE

Statewide, facilities are the foundation of the MVC's service to the public. As the first state agency to have developed and utilized a comprehensive Facility Master Plan, we have been well positioned to wisely invest in and maintain our physical infrastructure. In 2004, with the help of Standard and Poors Consulting, a thorough Siting Study was developed, which serves as an improvement blueprint for the MVC's vast portfolio. Presently, we operate 77 facilities statewide, of which 45 are subject to lease agreements.

The MVC continues to work toward its goal of reducing its leased facilities and we have made recognizable progress. We have begun construction on the MVC's very first Model Agency to be built from the ground up on state-owned land eliminating the need for the current leased facility in Freehold. We expect to move forward in the coming months on another state-owned facility that will replace a leased facility in Flemington. Building on state-owned land gives MVC control over the environment and expenses and allows for improved facility maintenance and service, saving money in the long term.

The MVC has also moved ahead with the opening of several new Model Agencies, including last month's long-awaited return to the City of Paterson after a more than decade. Through a successful partnership with local government we were able to open the Paterson Agency in the Paterson Parking Authority Garage adjacent to the local justice complex. The newly opened agency stands as another example of a government-shared facility, such as those in Cherry Hill, Edison, Salem and

Trenton. The MVC opened the Paterson location without hiring new employees. Existing staff from surrounding agencies have been transferred to the new facility. Moving agencies, such as those opened in Hazlet, Newton and South Plainfield, into newer, updated facilities also offers the benefit of reduced expenses due to less maintenance and more efficient systems, respecting the green initiative to which Governor Corzine is committed. Another benefit is eliminating costly month-to-month agreements in favor of long-term leases.

In the coming fiscal year, the MVC, with the help of the Department of Treasury, plan to eliminate four more leased agency locations when agencies in Freehold, Flemington, East Brunswick and Randolph are built on state-owned land. Construction has begun on our Freehold Agency, which we anticipate opening in fall 2008. And we are soon to break ground on our Flemington location in Hunterdon County. Two other projects slated for FY09 are the Lodi and Rahway Agencies, where we will demolish and rebuild both on state-owned land because each was too old and costly to renovate.

After the success of our pilot program started in 2006, customers gained more personal convenience as we implemented credit card acceptance in 2007 at all agencies and regional service centers statewide. The customers demanded it and the Fix DMV Commission called it essential. Through a public-private partnership with American Express Card, the MVC was able to bring greater public awareness of the acceptance of this card, along with Visa and MasterCard. In-person use of credit cards statewide currently accounts for 22 percent of the MVC's customer transactions.

Working for many months as a team, the MVC, and its partners, the Departments of Treasury and Environmental Protection and the Office of the Attorney General, conducted an open, transparent process to bring about the next generation of vehicle inspections in New Jersey. After much time, effort and careful review, the Department of Treasury announced last month an "Intent to Award" a new, five-year contract to Parsons Commercial Technology Group. With the official transition from the present contract to the new one set to move forward later this year, we anticipate a seamless transition that will yield positive benefits with additional cost savings.

The new Enhanced Inspection and Maintenance (I/M) contract, slated to begin this coming August, includes significant cost savings, added system convenience and increased environmental features. Over the course of the new contract, New Jersey's costs for inspections will be reduced by approximately \$15 million per year. This savings includes a per vehicle inspection cost that will decrease by more than \$7 as compared to the existing contract and to proposals submitted by other contract bidders. Parsons will continue to have responsibility for the supply and maintenance of all equipment and software used to perform emission inspections, as well as maintenance and repair of the buildings and grounds of the

inspection facilities. Parsons will assume responsibility for utility expenses and any new capital repair costs.

In the future, customers will benefit from various technical enhancements including online viewing of wait times for facilities statewide and access to their vehicle inspection histories and sticker information.

In addition to the many benefits of the new contract, the MVC, with the assistance of its partners, moved forward with other inspection-related efficiencies that continue to provide millions in savings and an increase in customer satisfaction, including re-instituting the use of Inspection Advisories for minor, non-safety violations. Through the use of the advisories, the MVC has saved approximately \$2.4 million annually, along with reducing customer wait times and allowing customers to avoid repeat visits. The MVC will also begin to realize an annual \$1 million in savings through the elimination of unnecessary off-cycle inspections, which was announced in August 2007.

SECURITY

At this time last year, the federal Department of Homeland Security (DHS) released proposed regulations for the implementation of the Real ID Act. The MVC, along with other state agency partners, prepared official comments noting concerns related to cost, timelines and other critical issues. The DHS issued the final rules in January 2008 with new implementation dates.

In February, the MVC, on behalf of the state, requested a one-year extension from the May 2008 Real ID compliance deadline. Like many other states that requested the extension, the MVC realized that more time for evaluation and discussion on the state-level was absolutely necessary. The next Real ID compliance deadline will be in October 2009.

Real ID compliance will be a decision for Governor Corzine and the members of the Legislature. Whatever route New Jersey takes, the impact will be great. Compliance will bring increased costs and technology needs since the MVC will have to follow prescribed driver information gathering and retention, procedural changes and a public awareness initiative. The Office of Information Technology (OIT) needs to evaluate the support that will be required for a successful implementation.

Non-compliance with Real ID brings its own challenges. New Jersey's present digital driver license would no longer be accepted as proper identification by the federal government. This would mean that, under the current criteria, the citizens of New Jersey would face a loss of access to air and rail travel, loss of access to federal buildings and a lack of proof of identity for federal programs unless they can produce a federally-issued passport.

In addition to addressing federal security issues such as Real ID, the MVC has continued its work to further enhance security throughout the organization. Building on its highly successful document fraud training program and other expanded security initiatives, the MVC has been able to demonstrate its crime prevention efforts through nearly 500 arrests in the last year. Most of these arrests were attributable to fraudulent activities.

SAFETY

With the increased attention brought to driver safety, the MVC has maintained an active role in various areas of highway safety. From our commitment to increased awareness for pedestrians, motorcycles and others sharing the road to our work on teen driver issues, the MVC is making positive progress.

The MVC again partnered with the Division of Highway Traffic Safety last May and held a second Driver Education Forum for driver education professionals. Once again, the forum provided an excellent opportunity to hear directly from the front lines of driver education to develop and update new and existing MVC materials. Working from a survey sent to driver education teachers around the state, the MVC took on a yearlong effort to revamp the *New Jersey Driver Manual*. Through the efforts of in-house professionals and input from law enforcement and driver education experts, the MVC released the new manual earlier this year. The new manual is not only an essential tool for new drivers seeking to learn the rules of the road, but also a valuable resource for experienced motorists who may rely on it as a life-long guide for good driving skills.

Shortly after releasing the print version of the driver manual, the MVC went live with an interactive, online version that features chapter review questions, special safety sections, an "Updates Since Last Print" link and other important driver information. Together with the MVC's award-winning *Safe Driving: A Parent's Guide to Teaching Teens*, the new print and online versions of the *New Jersey Driver Manual* are excellent tools for new drivers.

Over the last year, the MVC has partnered with Governor Corzine's Teen Driver Study Commission, which was charged with reviewing the current Graduated Driver License (GDL) law and other driver regulations and making recommendations for improvement. At a recent media event, the commission unveiled its final report featuring a number of proposals that we are presently reviewing for impact to our strategic plan.

The GDL law and the recently announced recommendations will present significant challenges now and into the future. The MVC continues to work with the Department of Transportation (DOT) to develop standard measures to set benchmarks for teen driver roadway safety. We have partnered with DOT to support research on the state of GDL and identification of problem teen drivers. With changes to the current GDL law and regulations anticipated, we will evaluate the challenges and impact to MVC system and operational programs. This

analysis is expected to further demonstrate the importance of fully implementing the MATRX project so that the MVC will be equipped to manage various requirements of the GDL program and any other changes that may come to fruition.

Outreach, education and partnerships will remain an effective way of spreading the safe driving message. In the last year, the MVC has participated in forums big and small with groups ranging from new, teen drivers to more experienced senior drivers. I have also met with high school journalism students around the state. These students covered our discussions in their school papers.

One of the MVC's most recent safety outreach campaigns dealt with motorcycles. With the help of a federal grant administered by the Division of Highway Traffic Safety, the MVC kicked off its "Be Alert. Watch for Motorcycles" campaign last May in recognition of New Jersey Motorcycle Safety Month. Utilizing billboards, tollbooth signs, shadow-traffic sponsorships and a new Web site, www.njridesafe.org, the MVC sought to bring greater attention to sharing the road with motorcycle riders. The MVC and the Division of Highway Traffic Safety are planning another "Be Alert" campaign for this May.

In our role to ensure that this state's CDL drivers are properly credentialed, the MVC has made great strides in helping New Jersey to preserve \$150 million in critical transportation funding through its work on the Motor Carrier Safety Improvement Act (MCSIA). The MCSIA program is a federally-mandated act designed to increase highway safety and ensure all state jurisdictions identify and remove unsafe commercial drivers from roads. Under the program, various changes related to the MVC's Commercial Driver License (CDL) program must be implemented. The MVC, working with the Office of Information Technology, is on target to wrap up its work in May.

EFFICIENCIES

The FY2009 budget marks a turning point to help reset our state's finances and bring true balance to the budget without raising taxes and resorting to short-term fixes. New Jersey citizens have sent a crystal clear message: Cut government spending and cut spending on government.

New Jersey's proposed budget includes \$2.7 billion in reductions to bring overall spending more than \$500 million below the current year. While the task is unpleasant, the cuts in this budget are what times demand. The Governor has made his priorities clear – education, public safety and protecting the most vulnerable. Preserving resources for these priorities means that reductions must be found other areas. Each department has been cut and hundreds of programs have been eliminated or trimmed. As we evaluate each proposed reduction and how much we would like to restore it, we must confront the stark reality that any restoration of funding requires a commensurate reduction in spending in another area.

With these efforts, the FY2009 budget helps to reverse the effects of past decisions that have made present-day budgeting so painful, and move New Jersey closer to eliminating its chronic structural imbalance.

Having come so far in a very short period of time, it is difficult to look at the MVC's many accomplishments and the positive impact they have had on the lives of our customers and make painful decisions on cuts and reductions that are absolutely necessary. As was noted earlier, the MVC further reduced its budget by \$20 million. The MVC's reductions focused on administrative and operational items, equipment and facility upgrades, and other various initiatives.

Our administrative budget efficiencies cover a wide range of areas within the MVC. This year, we have demonstrated reductions in non-agency overtime and travel costs, eliminated various non-essential, though important, surveys and studies, centralized secretarial functions, and reassigned other positions within the organization to better enhance customer service. Upgrades and other improvements will also be scaled back as we lengthen the timeframe on vehicle replacement, limit equipment and furniture purchases, and no longer proceed with several facility improvements that were planned and scheduled to help us meet our goals and objectives.

The MVC continues to adhere to the statewide hiring freeze and has limited its very few new hires to employment fills in the areas of Information Technology and other critical areas as outlined in *MVC Forward*. Overall, the MVC has reduced its FTE by 75. These efforts have yielded more than \$3.5 million in salary dollar savings. Also associated with these position reductions is the elimination of nearly \$1.9 million in fringe benefit costs, since we, unlike other state entities, pay from our operational budget. The MVC made position reductions and maintained a limited hiring position by considering various alternatives. In lieu of hiring staff and to avoid major disruptions in service, the MVC reprioritized, reallocated and reassigned staff when necessary. All this was done bearing in mind that we must remain focused on our key functions, which is to license more than 6 million motorists, register and inspect more than 8 million vehicles, license 4,000 new and used car dealers, perform over 74,000 school buses inspections annually and many other motor vehicle-specific tasks.

We are an organization that is often raided and regarded as a "cash cow" for the state. As the public face of government, we are challenged to focus strictly on our core functions while other organizations, albeit noble and well-intentioned, see the MVC as the solution for their specific challenges. This reliance on the MVC most often leads to a mission creep that negatively affects the organization. This was well recognized in reports issued by our stakeholders in 2002, 2003 and 2007.

A variety of other savings and efficiencies have also been achieved through thoughtful and careful management of resources. This includes a reevaluation of

the MVC's document retention procedures. After reviewing numerous files of MVC documents, we were able to clear our facilities of documents that had met legal retention requirements or move them to storage off-site. In the end, this action helped the MVC to eliminate the need for additional equipment and storage space, which yielded \$315,000 in savings.

In addition, responsible fleet management has allowed us to continue realizing a \$100,000 savings following a 22 percent reduction over the last three fiscal years. By continuing to more efficiently utilize our existing pool of vehicles, we are able to achieve cost efficiencies without affecting our service to customers.

When possible and prudent, we have reduced printing costs for various publications by limiting quantities and producing items in-house. Several of the MVC's most recent official reports: the 2007 Service Assessment, 2007 Annual Report and *MVC Forward: Strategies for Excellence*, were designed and produced in-house. Fewer than 75 copies were produced of each and a PDF readable version was posted to the Web and sent by e-mail to interested parties, including members of the Legislature. Costs for mass production of these types of publications could reach thousands dollars. As the MVC evaluates updates to various publications, such as brochures or other information pieces, we will take into consideration whether it is more cost-effective to produce digital copies only for download on the Web.

Other budget reductions focused on MVC initiatives.

As was noted earlier, technology continues to play a major role in the MVC's efforts to bring efficiency to its operations. Encouraging the use of the online services is one way the MVC has sought to reduce the bricks and mortar solution to customer service. MyMVC, the MVC's online transaction application for services such as registration renewal and surcharge payment recently underwent a major change on February 8 when the Office of Information Technology (OIT) assumed day-to-day management of the application from a private vendor. To continue providing online credit card transactions, the MVC, like many state agencies, relies on the use of a state Treasury contract with Official Payments Corporation (OPC). OPC charges users a minimal convenience fee to cover the cost of the transaction process; a fee that the MVC does not receive. The transition of application management from IBM to OIT and OPC for all Internet processing and transactions has saved the MVC \$3.4 million. This savings offsets the \$1.9 million it has cost MVC to provide in-person credit card transactions. The MVC's rate of in-person credit card transactions is 22%, with less than a full year of implementation. As the rate of in-person credit card transactions increases, there will begin to be a financial impact to MVC and we must again consider how to balance the need for customer convenience with fiscal responsibility.

The MVC has streamlined and modernize functions related to vehicle dealers throughout New Jersey. Creating opportunities to partner with outside resources to

more efficiently provide motor vehicle services, the MVC established a Dealer Services Program, which officially began last October. This new program, which provides registration and title services for new car dealerships, opened up the opportunity for private companies to partner with the MVC in administering these services.

Dealerships typically handle vehicle registration and titling for their customers, so they can avoid a trip to the MVC. Over the last several years, the MVC has relied on a single dealer-only agent, NJCAR, to provide these types of services at a cost of \$1 million per year. The new program produces a substantial cost savings for the MVC and creates a competitive business environment. Under the program, dealer service costs are obtained directly from the dealerships served by the program partners. It is estimated that the program will relieve the MVC of approximately 450,000 transactions a year, an estimated savings of \$1.6 million in agency late-night overtime hours statewide.

With the help of the *MVC Forward* legislation, our organization has gained the ability to move to a multi-year dealer license process that will introduce sound business practices and prevent backlogs and the annual mad rush to renew each March. We also have the authority to move beyond the draconian punishment of license suspension or revocation and establish a more reasonable arrangement of administrative dealer sanctions.

Regardless of the type of project or initiative on which our organization is working, the goal remains the same – to effectively and efficiently serve the citizens of New Jersey. As the public face of government, we are committed to building an organization that exemplifies excellent customer service and assures citizens that their tax dollars are wisely spent and carefully invested.

We are making our very best effort to ensure that the MVC remains on sound financial footing through the various efficiencies and cuts I've noted, but the current fiscal crisis facing our state will require us to make a number of additional sobering choices. As the Governor has stated, and the MVC has echoed, difficult decisions must be made. We must do more with less, or in some cases, do less. The MVC must focus on the programs, projects and work associated with its core mission. As the public face of government, our budget work this year was tremendously difficult. I fully recognize and support Governor Corzine's efforts to address what has become an absolute fiscal emergency. This is why all decisions the MVC continues to make not only consider the impact on our customers, but also on the financial well being of this state. It is our obligation to the taxpayers of New Jersey that we operate within our means and properly cover the cost of doing business.

Despite the popularity of our Mobile Unit and the MVC Tiger Team, which provided licensing and photo ID services to limited-size groups around the state, the MVC permanently removed the vehicle from the road after reviewing the costs of its

operation. With frequent breakdowns, costly maintenance and repairs, and a greater expense to produce a license "on the road," the MVC determined that there were more cost-effective ways to reach the audience of the Mobile Unit. We are presently exploring other methods, such as establishing partnerships with various senior service organizations and government entities, to continue serving the groups that the Mobile Unit once served. The discontinuation of Mobile Unit services provides the MVC with nearly \$850,000 in savings, which include salary and benefits for staff and other operational expenses. The MVC will suspend its original plan to expand Mobile Unit services through the purchase of a new RV. This decision allowed the MVC to return \$225,000 to the Treasury that would have otherwise have been spent on the new vehicle.

Over the last year, the MVC has begun consolidation of its driver testing locations around the state. Once again relying on the MVC Facility Master Plan guided by a 2004 Siting Study and analysis of use and volumes, we have been able to make wise decisions on consolidations that helped the MVC to reduce costs. To date, we have consolidated driver testing services in Hudson, Passaic, Somerset and Sussex Counties and will look at additional consolidations of not only driver testing, but other MVC services when it is in the best financial interest of our organization and these services can be provided in an efficient, cost-effective manner.

As we continue in our progress, the MVC will maintain an open line of communication with the Legislature to assist with ideas or proposals that may be under consideration. Working together, the MVC will offer crucial insight into the financial and operational impacts of potential legislation. Continuing the cooperative relationship we have had in the past will help us address issues that may negatively affect our organization.

We are fully aware that more will be expected in future budget planning. This is why it is imperative that we ensure the MVC is financially stable and able to continue on with its core objective – bringing motor vehicle services to the citizens of New Jersey.

Thank you again for your ongoing support of the Motor Vehicle Commission.