

**FY12 Budget Testimony (Assembly Budget Committee)  
Raymond P. Martinez, Chief Administrator**

Good morning Chairman Greenwald and members of the committee.

It is a pleasure to address the committee this morning about the New Jersey Motor Vehicle Commission's accomplishments of the last year and our plans for the year ahead.

To say that Fiscal Year 2011 was an extremely challenging one for the MVC would be an understatement.

It's been said time and time again over the last year, but it bears repeating – we have made tough, necessary decisions to address those budgetary challenges and help restore the fiscal stability of our state.

Fiscal Year 2012 will be no less challenging but, through careful planning and the proper management of our resources, the MVC's budget will essentially remain flat for the next 12 months.

When making our budgetary decisions, we kept a sharp focus on the core mission and services of the MVC, which are critically important to the lives of your constituents.

With the support of Governor Christie, we have continued to build on the security and service foundation laid by this Legislature as we provide our services through more than 25 million customer contacts each year.

The evolution of the driver license to the most prominent form of personal identification and one of the most highly coveted documents by criminals has made it absolutely necessary for us to continue to raise the security bar throughout our commission.

The protection of our customers' personal information and the security of our processes are paramount and remain a top focus for the MVC.

We have already moved forward with the rollout of New Jersey's next generation of Digital Driver License; a move that will not only enhance security levels and bring us closer to Real ID compliance, which is slated for 2013, but will also provide a number of customer service dividends in the future.

Following on the heels of the introduction of our new Digital Driver License, we anticipate a move to a hybrid central issuance system, which would be a major customer service enhancement that utilizes secure technology to allow license renewal by mail and helps to dramatically reduce wait times in our agencies.

As recent coverage in the Bergen Record highlighted, the MVC remains vigilant in protecting your constituents through more than 340 criminal investigations conducted by our security team over the last year that resulted in 278 criminal prosecutions related to fraudulent documents and other fraud-related offenses.

Aiding our security team in future fraud investigations will be facial recognition technology that, once implemented, will be a valuable tool in preventing identity theft and ensuring that only those who are legally entitled to possess a license may get one.

With driver examination being the first step in obtaining a license, our driver testing system modernization project is an essential part of our security measures with its security-enhanced mechanisms and fraud prevention capabilities.

To date, we have already installed the knowledge portion of the new Driver and Road Test Scoring System (DARTSS) statewide and are presently working toward completion on the road test component.

In speaking of the advancement of a technology investment such as the DARTSS system, I would be remiss if I didn't mention the major progress we've seen on our MATRX project, which is already in the second phase of a three-phase roll out.

As we've noted in the past, this is a complete system overall that will provide improvement to every facet of motor vehicle services.

Lastly on the security front, we are once again looking at additional means to enhance our temporary registration tags by taking our current version unveiled several years ago and going a step beyond with greater tracking capability and security features.

Along with security, service goes hand in hand.

Last year, we provided greater customer convenience with the introduction of evening agency service twice per week until 7:30 p.m. and an additional hour on Saturdays all while saving approximately \$4 million.

By wisely utilizing bond monies invested by this Legislature nearly a decade ago, we opened four more modernized, full-service agencies, built from the ground up on state-owned land in Middlesex, Union, Morris and Bergen Counties to provide more services, improve operational capabilities and, in several instances, eliminate costly lease expenses.

The facilities that were closed in Bridgeton, Elizabeth, Randolph and Morristown, along with the closure of the Wyckoff Agency following an eviction by the landlord, allowed the MVC to save approximately \$2 million dollars, which came from a reduction in full time positions and the elimination of lease and security costs.

While we have been able to effectively manage the customer traffic, agencies nearby the closed sites have seen an increase transaction volume, as expected.

In each case, we have taken the appropriate steps to address customer needs, one of which included the expansion of the Oakland Agency to accommodate former Wyckoff customers.

Additionally, we were successful in reworking our MVC personnel title series through consolidation and broadening the scope of work of positions in order to provide greater flexibility and adaptability in getting customers in and out of our facilities much like our inspection stations where wait times have dramatically diminished by 50 percent following the move to an emissions-only testing system.

Moving forward in the next year, we will keep our customers in mind and continue to invest in our physical infrastructure with the start of construction on a new, full-service agency on state-owned land at Bakers Basin in Mercer County, implementation of design plans for a new, modernized agency in Wayne and major renovations for our existing, full-service agencies in Eatontown and Newark.

Adding to our security and operational improvements, the MVC moved forward with a new revenue generation opportunity created by this Legislature last year.

For the first time in New Jersey, we began selling sports logo license plates featuring fan favorite NASCAR, MLB, NFL, NHL and NBA teams to develop and grow an additional source of revenue for our state that will provide benefits for years to come.

The new plates also allowed us to test drive new flat plate technology that grants us the ability to print on demand, which aids in eliminating overhead and distribution costs and may prove useful to the production of all specialty plates in the future.

I will admit a certain level of frustration regarding the time it took to roll sports plates out to the public, which was due in part to negotiations with the various leagues and teams, design production and other elements, but I am confident that these plates will continue to rise in popularity.

Whether it's a new venture such as sports plates, security enhancement projects or technology and infrastructure investments, there has been a great amount of progress once again at the MVC, progress that we will take into the next fiscal year.

In preparing Fiscal Year 2012's budget, we took a comprehensive look at programs and services, considered impacts and benefits and made necessary reductions or changes that will allow us a reach savings and efficiencies of more than \$51 million.

With the start of the next fiscal year just a few short months away, the Motor Vehicle Commission stands prepared, as always, to build on its reputation as a leader in good, efficient government operation.

I want to thank Chairman Greenwald and members of this committee for the opportunity to testify today.

I look forward to working with you as we address our many challenges now and in the future.

I'll take any questions you may have.