

Discussion Points

Motor Vehicle Commission

35. In response to an OLS discussion point on the FY 2017 Budget, the MVC informed the Legislature that its contract with Parsons Environment & Infrastructure Group, Inc., was due to expire on May 5, 2016; that an RFP for the next enhanced inspection/maintenance (I/M) Program had been advertised; and that a new contract was about to be awarded. Under that contract, the vendor would take over operations of the centralized lanes within 90 days of the award at the new contract price. Further, because the new contract would simplify emissions testing, the MVC estimated that the contract rate will be at a lower per inspection cost performed at the Central Inspection Facilities (CIFs).

Under the new contract, the next I/M Program would remain a hybrid program with inspections performed at CIFs and private inspection facilities, but would differ from the previous program as follows:

- Expensive and time consuming tailpipe testing would be eliminated; the gas cap test will be replaced with a visual gas cap check, resulting in a cost savings for the purchase and maintenance of testing equipment and providing for greater throughput; up to 200,000 pre-1996 and older vehicles to be removed starting May 1, 2016;
- All re-inspections and all commercial inspections would be directed to the PIFs, eliminating approximately 300,000 inspections from the CIFs, resulting in both a cost savings and reduced wait-times;
- Vehicles model year 1995 and older will be exempt from an inspection.

Notwithstanding this response, on May 4, 2016 the I/M contract was extended by six months, and on November 5, 2016 the contract was extended by an additional 12 months, to November 5, 2017. Budget evaluation data (pg. D-353) reports no significant change in private facility inspection volume, and more centralized inspections and reinspections in FY 2018 than in FY 2017.

- **Question:** What circumstances prevented the MVC from entering into a new I/M contract and instead extending the existing contract for 18 month? Were any revisions to the current contract made at either time the contract was extended? Were any of the goals the MVC sought under a new contract, particularly a lower per inspection cost, cost savings for the purchase and maintenance of testing equipment, and operational efficiencies, achieved when the current contract was extended?

Answer: There were four bidders in response to the RFP for the new I/M contract. Separate challenges during the bidding process made it evident the current contract needed to be extended to avoid a situation where the State was without an inspection program. A decrease in the price per inspection was successfully negotiated; if the full 12 month extension is needed, the MVC will get a \$1.21 per inspection credit.

- **Question:** What is the MVC's plan for the I/M program after November 5, 2017? Is an RFP being prepared for the purpose of selecting the next contractor? What are the goals the MVC hopes to achieve under the next I/M contract?

Answer: The MVC expects that the new contract, to be awarded under the current RFP, will be awarded and operational possibly before November 5, 2017. Thus, the new inspection program will be in operation after the current contract ends. The goals are a lower per

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inspection cost, cost savings for the purchase and maintenance of testing equipment, and operational efficiencies.

36. In its response to an OLS discussion point on the FY 2017 Budget, the MVC described its Transformation Project, which is to be the successor to and improvement upon the MATRX project. The MATRX project was developed to produce a series of critical information technology upgrades that were essential for the modernization of the MVC and ultimately replace its legacy data processing systems, but was terminated after the vendor withdrew from the project.

The MVC advised the Legislature that the Transformation Project would address five immediate needs of the Commission, with cost projections as follows:

1. **Commercial Driver's License Information System Mod 5.3 (CDLIS)**
 - a. Currently projected at \$1.8 million FY 2016
 - b. Currently projected at \$210,000 FY 2017
 - c. FY 2018 CDLIS enhancements and maintenance costs will be incorporated into the operating budget.
 2. **Securing MVC Processes & Scanning (SMPAS) - \$9.610 million total estimated cost**
 - a. Currently projected at \$1.5 million FY 2016
 - b. Currently budgeted at \$3.584 for FY 2017
 - c. Preliminary FY 2018 Budget need of \$4.526 million
 3. **Agency System Replacement - \$4.485 million estimated cost**
 - a. Currently projected at \$750,000 FY 2016
 - b. Currently budgeted at \$1.2 million FY 2017
 - c. Preliminary FY 2018 Budget need of \$2.535 million
 4. **Customer Abstract Information Retrieval (CAIR) - \$7.022 million estimated cost**
 - a. Currently projected at \$1.0 million FY 2016
 - b. Currently budgeted at \$4.0 million FY 2017
 - c. Preliminary FY 2018 Budget need of \$2.022 million
 5. **Multi-Scheduling - \$2.166 million estimated cost**
 - a. Currently projected at \$500,000 FY 2016
 - b. Currently budgeted at \$1.666 million FY 2017
- **Question:** Please provide an update on each component of the Transformation Project, including total estimated cost, actual FY 2016 expenditures, estimated FY 2017 and FY 2018 costs, and the expected completion date. If any prior completion dates and cost estimates have been significantly revised, please explain the circumstances that caused the revision.

Answer:

1. **Commercial Driver's License Information System Mod 5.3 (CDLIS) - Completed**
 - a. FY16 Actuals \$440,678 (only from 255)
 - b. Currently projected at \$374,926 FY 2017 - Federal Funding
 - c. FY 2018 CDLIS enhancements will be paid using federal grant funding. The maintenance costs will be incorporated into the operating budget.
2. **Securing MVC Processes & Scanning (SMPAS)/REAL ID - \$12.77 million estimated cost**
 - a. FY16 Actuals \$258,502

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- b. Currently budgeted at \$9.424 million for FY 2017
- c. Preliminary FY 2018 Budget need of \$3.086 million
- 3. Agency System Replacement** - \$5.53 million estimated cost
 - a. FY16 Actuals \$339,110
 - b. Currently budgeted at \$3.03 million FY 2017
 - c. Preliminary FY 2018 Budget need of \$2.16 million
- 4. Customer Abstract Information Retrieval (CAIR)** - \$5.47 million estimated cost
 - a. FY16 Actuals \$441,027
 - b. Currently budgeted at \$2.56 million FY 2017
 - c. Preliminary FY 2018 Budget need of \$2.468 million
- 5. Multi-Scheduling** - \$3.87 million estimated cost
 - a. FY16 Actuals \$262,883
 - b. Currently budgeted at \$1.75 million in FY17
 - c. Currently budgeted at \$1.85 million FY 2018

The overall projected net increase for the Transformation Project shown occurred during the estimation process for SMPAS/REAL ID. The original module cost was to be realized over a two and half year development cycle releasing to production September 2018. The intended development cycle being utilized by NJMVC permits us to share technologies and deliverables between all the modules of the Transformation Project benefiting every Division of NJMVC. The nature of the progressive elaboration methodology incorporated in the Agile software development life cycle permits NJMVC to reprioritize our development efforts to meet the changing mandates as in the case of SMPAS/REAL ID. SMPAS/REAL ID's reprioritization required a shift in cost for the module to be realized this year rather than over a two and half year development cycle, sharing costs for technology and contract employees across the Transformation project.

- **Question:** Beyond the five components of the Transformation Project, what additional projects has the MVC determined to be necessary to fully replace legacy systems? Has the MVC developed a plan and cost estimates for undertaking those projects? When is it expected that the legacy system will be completely replaced, specifically the components of the system that are built on the obsolete computer code?

Answer: Currently the Motor Vehicle Commission does not have any additional projects outside of the Transformation Project. The purpose of the Transformation Project is to incorporate technology needs within each new cycle to prioritize the technology needs of the Commission.

37. The chief administrator informed the Assembly Transportation and Independent Authorities Committee on December 12, 2016 that the MVC has plans to utilize mobile MVC agencies.

- **Question:** Please provide a description of the anticipated functions of the MVC mobile agencies, and the timetable for commencing their use. Is the MVC basing its plan on other state motor vehicle regulatory agencies' effective deployment of mobile

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agencies? How many mobile units does the MVC plan to use? How much will it cost the MVC to build and staff these mobile units? Will the MVC hire additional personnel to staff the mobile units?

Answer: NJMVC will operate two mobile agencies five days per week with seven additional staff members each at annual regular salary cost of \$334,000, not including fringe benefits. The mobile units will be staffed by experienced MVC employees. Functions of the mobile agencies are: Driver license transactions (renewals, duplicates, changes, upgrades, and downgrades), non-driver ID, registrations (duplicate and renewal), and miscellaneous transactions such as disabled placards and license plate surrenders. Roll-out will begin in June and MVC anticipates full roll-out by August 2017. The cost of the two mobile units is \$407,000 and \$439,000 respectively. The Commission purchased two staffing transport vehicles through state contract at a cost of \$49,416.

38. In previous years, New Jersey Motor Vehicle Commission (MVC) annual reports were issued in September of the most recently completed fiscal year. The most current annual report on the MVC website is the 2015 annual report. A revised budget display is provided for FY 2016 with actuals for 2015. Current State budget data includes actual budget information for FY 2016, and adjusted appropriations for FY 2017.

- **Question:** Please provide a financial statement in the same format used for previous annual reports which describes the MVC budget request for FY 2018, the budget as adopted for FY 2017, and final results for FY 2016.

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NEW JERSEY MOTOR VEHICLE COMMISSION			
FY 2016 through FY 2018			
	FY 2016 ACTUALS	FY 2017 REVISED BUDGET	FY 2018 REQUEST
RESOURCES			
Reappropriation			
Surplus/(Deficit) Adjustment	\$ 80,393	\$ 88,726	\$ 35,683
Transfer Adjustments In/(Out)	\$ 7,593	\$ 7,594	\$ 7,600
Operating Resources			
MVC Base Budget	\$ 307,750	\$ 313,742	\$ 320,021
Security Surcharge (\$7)	44,681	43,885	44,763
Digital Driver License Fee (\$6)	13,649	14,572	14,863
Sub-Total Operating Resources	\$ 366,080	\$ 372,199	\$ 379,647
Dedicated Resources			
Commercial Vehicle Enforcement Fund	\$ 14,276	\$ 14,478	\$ 14,768
Commercial Bus Inspections	591	656	669
School Bus Inspections	1,301	1,368	1,396
Motorcycle Safety Education Fund	430	536	547
Security Responsibility	20,615	20,900	20,900
Texting While Driving Campaign	2,760	3,276	3,342
Other Various Dedicated Revenues	2,061	2,196	2,180
Sub-Total Dedicated Resources	\$ 42,034	\$ 43,410	\$ 43,802
Bond Fund			
Bond Fund Reappropriation	\$ 36,387	\$ 20,641	\$ 4,952
Bond Fund Interest	123	20	5
Sub-Total Bond Fund	\$ 36,510	\$ 20,661	\$ 4,957
Grant Funds			
Prior Year Grant Award Balances	1,759	\$ 1,612	\$ 1,933
Grant Awards	1,698	1,446	2,208
Sub-Total Grant Funds	\$ 3,457	\$ 3,058	\$ 4,141
TOTAL RESOURCES	\$ 536,067	\$ 535,648	\$ 475,830

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NEW JERSEY MOTOR VEHICLE COMMISSION			
FY 2016 through FY 2018			
	FY 2016 ACTUALS	FY 2017 REVISED BUDGET	FY 2018 REQUEST
EXPENDITURES			
Operating Expenditures			
Salaries & Fringe	\$ 142,845	\$ 156,145	\$ 164,142
Materials and Supplies	15,254	13,581	16,499
Services Other Than Personal	45,047	47,046	56,179
Parsons Inspection Contract	38,561	34,680	42,845
Maintenance and Fixed Charges	6,129	6,741	6,650
Claims and Indirect	-	500	507
Additions, Improvements, Equipment	4,787	4,782	2,543
Sub-Total Operating Expenditures	\$ 252,623	\$ 263,475	\$ 289,365
Dedicated Fund Supported Expenditures			
Commercial Vehicle Enforcement Fund	\$ 9,425	\$ 5,398	\$ 5,695
Commercial Bus Inspections	2,100	2,436	3,700
School Bus Inspections	7,504	8,964	8,563
Motorcycle Safety Education Fund	42	567	562
Texting While Driving Campaign	251	3,276	3,342
Security Responsibility	20,615	20,900	20,900
Sub-Total Dedicated Expenditures	\$ 39,937	\$ 41,541	\$ 42,762
Capital Program	\$ 6,014	\$ 22,017	\$ 16,370
Bond Fund	\$ 1,252	\$ 15,709	\$ 4,957
Grant Award Expenditures	\$ 1,067	\$ 864	\$ 1,327
State Budget Contributions	\$ 108,800	\$ 149,213	\$ 115,729
TOTAL EXPENDITURES	\$ 409,693	\$ 492,819	\$ 470,510
TOTAL RESOURCES: ALL FUNDS	\$ 536,067	\$ 535,648	\$ 475,830
TOTAL EXPENDITURES: ALL FUNDS	\$ 409,693	\$ 492,819	\$ 470,510
SURPLUS/(DEFICIT): ALL FUNDS	\$ 126,374	\$ 42,829	\$ 5,320
LESS: BOND & GRANT BALANCES	\$ (37,648)	\$ (7,146)	\$ (2,814)
SURPLUS/(DEFICIT): MVC OPERATING & DEDICATED	\$ 88,726	\$ 35,683	\$ 2,506

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- **Question:** Please explain any major differences in operating expenses impacting the MVC in FY 2017 and FY 2018. What is the MVC's FY 2016 year end surplus and estimated FY 2017 year end surplus?

Answer: The major difference in the Commission's Operating Expenditures between FY 17 and FY 18, exclusive of Bond and Grant Awards, includes \$4.6 million increase in related REAL ID costs (salary & non-salary related); \$9.9 million increase due to the Inspection Contract protest and even year inspection costs tend to be higher; \$1.2 million increase in dedicated fund expenses, \$6.1 million increase in union salary ratification and related fringe; and \$6.1 million in various one-time project cost increases. These increases are offset by \$6.4 million in reductions in various one-time project reductions and efficiencies.

The FY 2016 year end operating surplus (exclusive of bond and grant awards) was \$88.7 million.

The FY 2017 year end operating surplus is projected to be \$35.7 million.

- **Question:** Please explain why the publicly posted information on the MVC website remains a year behind the current budget production schedule.

Answer: In 2014, the Commission amended the annual report to present information for the calendar year (as opposed to the fiscal year) which changes the lead-time needed to present a calendar year of information. The Commission has completed its FY16 Annual Report which can be found on our website at <http://www.nj.gov/mvc/About/reports.htm>.

39. The MVC has the authority to increase certain fees and surcharges without legislative approval.

- **Question:** Please note any new fees or fee changes that have taken place in the last year or are planned for the upcoming year. If there are any changes, please identify the amount of revenue expected to be generated by that change.

Answer: Since 2009, the Commission has not increased any motor vehicle fees. The Commission has no plans to increase motor fees in FY 2017 or FY 2018.

40. The MVC collects a variety of revenues for the State General Fund, itself, and other departments. In prior responses to Office of Legislative Services discussion points, the MVC provided information listing a breakdown in MVC revenues between amounts collected for other State departments, amounts collected for MVC operations, and amounts collected from MVC based fees, but directed to the General Fund.

- **Question:** Please provide a display similar to the ones provided in response to questions in the FY 2016 and FY 2017 OLS discussion points which updates the FY 2017 projections and for FY 2018 detailing total MVC revenues.

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NEW JERSEY MOTOR VEHICLE COMMISSION REVENUE COLLECTIONS <i>(Dollars in Millions)</i>		
	FY 2017 Revised	FY 2018 Estimated Budget
Collections for Other State Departments	\$ 790.0	\$ 806.0
Environmental Protection	3.7	3.7
Health	15.1	14.1
Law and Public Safety	38.8	41.2
Special Cause Plates - Organizations	2.5	2.6
Transportation	83.0	84.7
Treasury - Dedicated	137.2	139.7
Treasury - General Fund	164.9	168.4
Treasury - Proportional Split	344.8	351.6
MVC Base Revenues	\$ 313.8	\$ 319.9
Registrations	90.8	92.6
Registration Add-On-Fees	38.4	39.1
Driver Licenses	17.9	18.2
Titles	113.9	116.2
Abstracts	1.3	1.3
Customer Service Information	1.3	1.4
Information System Sales	20.8	21.2
Standard Sales	0.9	0.9
License Plates	0.3	0.3
Business Licensing	1.3	1.3
Inspections: Salvage	0.5	0.6
Fines - MVC & AOC	12.8	13.0
GDL Stickers	0.4	0.5
International Registration Plan	11.4	11.6
Reflectorized / Cause Plates	0.2	0.2
Refunds / Returned Checks	(0.2)	(0.3)
Other Dedicated Revenues	1.8	1.8
MVC Dedicated Revenues	\$ 109.4	\$ 111.2
Security Surcharge - Registrations	43.9	44.8
Driver License Photo Fee	14.6	14.9
Security Responsibility Fund	20.9	20.9
Commercial Vehicle Enforcement Fund	14.5	14.8
Commercial Bus Program	0.7	0.7
School Bus Program	1.4	1.4
Motorcycle Safety Education Fund	0.5	0.5
Market Transition Facility	1.5	1.5
Texting	3.3	3.3
Omnibus Safety Enforcement	0.0	0.0
Other Dedicated Revenue	8.1	8.4
Total Revenue Collections	\$ 1,213.2	\$ 1,237.1

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41. The "Transportation Network Company Safety and Regulatory Act," P.L.2017, c.26, was enacted to regulate transportation network companies (TNCs) that operate in the State. A TNC, perhaps best exemplified by Uber or Lyft, is a firm that uses a digital network to connect a transportation network company rider to a transportation network company driver who uses his or her personal vehicle to provide a prearranged ride for a fee. The law requires the MVC to issue a permit to a TNC to allow lawful operation in the State and to revoke a permit if a TNC fails to comply with the provisions of P.L.2017, c.26. In order to receive a permit from the MVC, a TNC is to submit certain information and payment of an initial and annual permit fee of \$25,000. A TNC that operates in the State without a permit is subject to a penalty of \$500, and each day that a TNC operates without a permit constitutes an additional, separate, and distinct offense. The law also requires the MVC to receive information about a TNC's agent for service of process in the State and to record a TNC's identifying marker, which is to be displayed when a TNC driver logs on to the TNC's digital network or is providing a prearranged ride. The MVC is to enter into a memorandum of understanding with the Division of Consumer Affairs (division) in the Department of Law and Public Safety to effectuate the authority granted to the MVC and division concerning the inspection of TNC records.

- **Question:** Please comment on the MVC's progress in implementing the relevant provisions of P.L.2017, c.26. When do the MVC and division expect to enter into a memorandum of understanding concerning the inspection of TNC records?

Answer: The MVC and the Division of Consumer Affairs are in discussion to determine respective agency responsibilities.

- **Question:** What additional staffing and computer system changes are necessary for the MVC to comply with the provisions of P.L.2017, c.26 and how much does the MVC anticipate it will spend on additional staffing and computer system changes? What is the projected annualized cost in FY 2018 to implement the provisions of P.L.2017, c.26?

Answer: Under the provisions of P.L.2017, c.26, MVC systems will be required to collect initial and annual permit fees and as well as systematically capture the issuance of permits. Staffing levels will be determined after the completion of the MOA and the delineation of responsibilities between agencies.

- **Question:** How much annual revenue does the MVC project will be generated by the \$25,000 initial and annual TNC permit fee and \$500 penalty for a TNC that operates in the State without a valid permit? What amount of revenue, if any, is included in FY 2017 and FY 2018 Motor Vehicle Commission revenues in Schedule 1 or Schedule 2 of the FY 2018 budget? Does the MVC consider this revenue as the type allocated between it and the General Fund pursuant to subsection b. of N.J.S.A.39:2A-36, a new service charge allocated solely to the MVC, or solely General Fund revenue?

Answer: Under the provisions of P.L.2017, c.26 the Commission anticipates collecting \$50,000 from Uber and Lyft for their initial TNC permit fees. At this time it is difficult to estimate any

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increased revenue from annual permit fees and invalid permit fines. Therefore TNC permit fees are not anticipated in either the Schedule 1 or Schedule 2 for the FY18 budget.

42. The Federal REAL ID Act requires states to implement more stringent standards and processes in the issuance of driver’s licenses and identification. Non-compliant REAL ID identification will eventually be excluded from use as proof of identification for admission into federal facilities and to board domestic aircraft. New Jersey is not yet compliant with REAL ID, but has received an extension until October 2017. As of October 1, 2020, all domestic air travelers will be required to present a REAL ID-compliant identification to board a flight.

- **Question:** Please provide information about the State’s progress in meeting the standards required under the REAL ID Act. Will the State be compliant by October 2017? If not, when does the MVC expect the State to be compliant with REAL ID? Please explain the initiatives the MVC plans to inform the public about obtaining driver’s licenses that are compliant with REAL ID and the consequences of not obtaining a driver’s license that is compliant with REAL ID. How much will it cost the MVC to implement these initiatives?

Answer: The MVC has adopted the requisite regulatory changes to allow for implementation of REAL ID and continues to work with OIT toward compliance. The MVC plans a full public education initiative that includes radio, television, print and digital advertisements; distribution of brochures; website updates; outreach to stakeholders; and other efforts as necessary. New Jersey plans to offer REAL ID as an option, in addition to our standard driver license. As it will not be mandatory, the consequences of not obtaining a REAL ID-compliant identification are borne solely by those individuals who do not want a REAL ID compliant driver license. This information will all be explained in our public education effort.

43. The MVC has shifted over to a new system of license plate production known as flat plate technology. During previous budget testimony, the chief administrator noted that this technology has provided the State with the ability to produce plates at a much lower cost per plate. Yet, in response to an OLS discussion point on the FY 2017 Budget the MVC indicated that it expends approximately \$65,000 in design and information technology costs to create a new license plate series.

- **Question:** Please provide a cost breakdown for the \$65,000 expended by the MVC for IT and design costs of a new license plate series. Please identify which portions of the IT and design costs are completed in-house by MVC staff and which portions are completed by outside contractors.

Answer:

The table below is a cost breakdown for a new specialty plate.

Computer Changes required to issue plates:	\$62,089.26
Sample Plates (10 singles @ \$2.85/each):	\$28.50
Initial Passenger Plate Acquisition (550 pairs at \$6.60 per pair):	<u>3,630.00</u>
TOTAL:	<u>\$65,747.76</u>
\$25,000 submitted by the Organization:	-\$25,000.00
500 Initial Applications with fees (500 x \$50):	<u>-\$25,000.00</u>

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Estimated outstanding balance to be reimbursed during regular sales process. \$15,747.76

The plate production is completed by an outside contractor.

- **Question:** Please identify any policy changes that MVC may employ to reduce the costs of IT, design, and production when creating new license plates.

Answer: The MVC would need to terminate its contract to produce license plates with its vendor and the agency would need its own plate type-creation system that populates OIT's Comprehensive system with all relevant information regarding each new plate, rules attached to the plate, and fees for the transactions related to the plate.

44. In response to an OLS discussion point on the FY 2017 Budget, the MVC confirmed that it had instituted an administrative moratorium on the issuance of organizational license plates. Recent legislation providing for the issuance of special license plates has been in the form of "dedicated cause" special license plates, with the goal of being revenue neutral to the MVC. Each entity that is issued a special license plate is required to provide the MVC with up to \$25,000 and to collect pre-paid applications for 500 plates at \$50 per application with a \$10 renewal fee each year. Revenues from the special dedicated cause plates are to be deposited into a fund to benefit the entity, less any costs of designing, producing, issuing, and publicizing the special license plates.

- **Question:** For the plate programs established pursuant to N.J.S.A.39:3-27.144 et seq. for Omega Psi Phi and N.J.S.A.39:3-27.146 for Alpha Kappa Alpha, please identify the progress of these organizations toward meeting the contribution and application requirements. How much revenue has been generated from the license plate program for the organizations that have met the requirements?

Answer: The Alpha Kappa Alpha sorority has reached the required number of applications and submitted the required funds and the plates will be available by the summer of 2017. The Omega Psi Phi fraternity has not reached the required number of applications and has not signed the requisite MOU. The fraternity also needs to establish a fund for which the renewal revenue will be dedicated. No revenue has been generated for either yet.

- **Question:** Please identify policy changes that would need to be implemented to end the administrative moratorium on the issuance of organizational license plates, which are statutorily provided for pursuant to N.J.S.A.39:3-27.36, while still maintaining cost neutrality for the MVC.

Answer: In order to accommodate plate requests despite the moratorium, an agreement was reached with the Assembly Transportation Committee and the MVC that set forth requirements for each plate, including revenue neutrality for the MVC.

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- **Question:** Please identify policy changes that would need to be implemented to provide for the creation of tiers of special license plates, aside from dedicated cause license plates, that would maintain cost neutrality for the MVC.

Answer: The policy changes needed to maintain cost neutrality would be to increase one or a combination of the following: organization fee, number of initial applicant fee and/or cost of the license plate.

- **Question:** Please explain the necessity for revenue raising mechanisms within legislation providing for the creation of special license plates as a requirement to maintain cost neutrality for the MVC.

Answer: Experience has demonstrated that MVC spent funds to produce several organizational plates only to have the inventory remain on shelves unordered, subsequently incurring storage ongoing maintenance needs.

Some plates require membership in an organization in order to purchase the plates. Such exclusivity provides a very finite pool of potential consumers from which the MVC may recoup its outlay for production costs. Requiring such an organization to first provide revenues for the initial production costs allows the MVC to recover costs for the design and production of the plates regardless of the plate's ultimate ability to generate organizational revenues.

45 P.L.2016, c.81, enacted on December 5, 2016, requires that the MVC driver's manual include information explaining the dangers of carbon monoxide poisoning from motor vehicles and techniques for the safe operation and proper maintenance of a motor vehicle, and that the driver's written examination include questions concerning this topic. The law permits the MVC to distribute all remaining copies of the existing driver's manual prior to reprinting the manual with the information required pursuant to P.L.2016, c.81. The law also requires the MVC to develop a brochure with information explaining the dangers of carbon monoxide poisoning from motor vehicles and techniques for the safe operation and proper maintenance of a motor vehicle, and to make the brochure available at every MVC agency, regional service center, official inspection facility and private inspection facility, and on the MVC's website. The MVC is also to include information concerning the dangers of carbon monoxide poisoning from motor vehicles and techniques for the safe operation and proper maintenance of a vehicle in a brochure distributed to parents or guardians of beginning drivers under the age of 18. While the law does not take effect until the first day of the 13th month following enactment, i.e., January 1, 2018, the MVC chief administrator may take actions to beforehand necessary for timely implementation of the law's requirements.

- **Question:** Has the MVC chief administrator taken any steps toward implementing P.L.2016, c.81? Has the MVC estimated the cost of revising the current driver's manual, the driver's examination and the informational brochure in the required quantity, respectively? Does the MVC foresee any obstacles to effective and timely implementation of the law?

Answer: The MVC anticipates being compliant with P.L.2016, c, 18 by January 1, 2018.

46. Among its total capital assets, the State has considerable land holdings, valued by the FY 2016 Comprehensive Annual Financial Report at about \$5.22 billion (Land and Easements,

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pg. 26). Land and easements may be held for future use, restricted as to future uses, or not needed for public purposes and available for sale, lease or other disposition. Knowledge about the extent, location, condition and intended use of these properties and property rights does not appear to be readily available. There could be potentially beneficial uses of some properties, other than those intended by the state agency in control of the properties, depending on the size, location and condition of those properties.

- **Question:** Please list each property under ownership or control of the department comprising unimproved or vacant land 1 acre or more in size, excluding land comprising all or part of a State park, recreation or wildlife management area, identifying each property by county and municipal location, street address, tax map block and lot number and, if available, Global Positioning System coordinates. Please provide the size of the property, its current use, intended future use within the next five years, and any known or suspected environmental contamination that would impede its future use. Please also describe any deed restrictions affecting current and future use. What are the department's policies and procedures for determining future uses of its land holdings that further the department's mission, and for allowing beneficial uses of its land in ways that are outside the department's traditional mission?

If a Motor Vehicle Commission (MVC)-owned property becomes vacant, an assessment is done to determine if the property can be used for other departmental purposes. If the property is no longer necessary to the Commission in meeting its mission, the Department of the Treasury is notified. Current law establishes the procedure for its disposition.

The table below lists the current state owned properties under MVC control.

