



P.O. BOX 160 TRENTON, NEW JERSEY 08666-0160

State of New Jersey

Sharon A. Harrington Chief Administrator

TO:

9/17/04

James E. McGreevey Governor, State of New Jersey

Honorable Richard Codey President of the Senate

Honorable Albio Sires Speaker of the General Assembly

For your review, I hereby transmit the Annual Report of the New Jersey Motor Vehicle Commission for the fiscal year ended June 30, 2004, the organization's first full year operating as an autonomous state agency.

In the last year, on a foundation of stable funding and with a renewed sense of purpose, MVC endeavored for excellence in motor vehicle service delivery. The investment New Jersey has made in motor vehicle reform is unquestionably an investment made through your foresight and in the state's best interest.

The Fix DMV Commission, in its call for reform, said: "DMV must be ripped up by its roots and replaced with a more high profile, sophisticated and responsive agency." Change of that magnitude *is* occurring. The pages that follow highlight our achievements of the past year and set forth a sound capital and financial plan for the future.

I consider it a privilege to serve as Chief Administrator with the fine employees of MVC during these crucial days. Together, we're embracing the opportunity to pursue an important, necessary reform effort and continuing our service and commitment on behalf of New Jersey.

Respectfully Submitted,

Sharon Anne Harrington
Chair and Chief Administrator

Glaron Q. Shrrington

The New Jersey Motor Vehicle Commission is meeting and exceeding motorist expectations and becoming the efficient, secure and progressive state agency envisioned by the Fix DMV Commission.

Our progress is well documented and undeniable.

While we are proud of our efforts reforming what was a troubled, frustrating place of business, MVC employees and I are looking beyond what's already been fixed to what more we must accomplish.

Without a doubt, we are getting there.

#### For instance:

The rate at which we catch criminals is up and the time customers spend at our agencies is down. Our driver license is no longer mocked, it is emulated; and, New Jersey's ID verification program has been cited nationally as a benchmark. Everyday, our Web site is becoming the cyber-agency demanded by today's savvy consumers. New MVC programs become continually more popular with New Jersey motorists: Saturday hours, mobile DDL offices, more options for commercial drivers and motorists with a temporary visa restriction. Our communication with the public is timely and accurate.

We are doing well what is ours to do. In the months and years to come, expect even more improvements.

Sharon Anne Harrington Chief Administrator, MVC

## Vision Statement

"To be the model for excellence in Motor Vehicle Services"

## Mission Statement

"To promote motor vehicle safety for our citizens by delivering secure, effective and professional motor vehicle services, and to achieve public trust and confidence in the quality and integrity of those services"

## Core Values

#### Integrity

We work with the highest standard of integrity and honesty. Our products and service require us to deliver secure and valid documents all the time, at the right time.

#### **Respect for Employees**

Our most important asset is our people. We will provide an environment that fosters teamwork, encourages career development and recognizes the contributions of all individuals.

#### Creativity

Our environment is constantly changing, so we must be creative in our solutions and our approaches. We make meaningful change to improve our services and create value for those we serve.

#### **Exceed Customer Expectations**

We work to meet or exceed our customers' expectations. We recognize that in addition to our traditional customers, each of us has internal customers that must be provided for in an effective, efficient and timely manner.

#### Accountability

We are accountable for what we say and do. We say what we mean and do what we say. We pursue excellence and quality in everything we do.

**Personal accountability** – the rest of the MVC Team relies on you fulfilling your commitment



**New Jersey Motor Vehicle Commission** 

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The NJ Motor Vehicle Commission (MVC) is becoming the model for excellence in the delivery of motor vehicle services. To complete this remarkable makeover and strike the necessary balance between security and customer service, fiscal responsibility must be the organization's foundation.

Indeed, fiscal responsibility is now the cornerstone of every MVC reform. The successes of this latest fiscal year are the result of sound financial decisions and planning, and leave the organization on solid financial footing.

The organization's Fiscal Year (FY) 2004 focus was to enhance security and customer service in a significant, lasting way. By utilizing the unprecedented resources provided by the Fix DMV legislation, MVC did just that.

MVC's available resources totaled nearly \$312 million in FY 2004, which included a base of \$199.6 million in existing motor vehicle fees. Other resources included: \$54.7 million in direct fees; \$7.1 million in capital funds; and, \$18.3 million in self-funded programs. Additionally, \$32.2 million was carried forward from FY 2003 as surplus, and is earmarked to fund capital projects, such as the Digital Driver License (DDL), that are not completed in the fiscal year in which they were started.

During FY 2004, MVC successfully delivered **new technologies and services** while sweeping away the decades-old cobwebs of financial and institutional neglect that disabled the now-abolished DMV.

For instance, DDL was deployed to every agency in FY 2004. Security cameras are being installed in every agency. The Law Enforcement Agency Security Enhancement (LEASE) program was initiated, putting a uniformed police officer in more than half of MVC's agencies. MVC's Contact Center was upgraded with new equipment and more staff to provide more efficient customer service. Proper staffing levels were

achieved, allowing agencies to serve customers on Saturdays for the first time in more than 14 years.

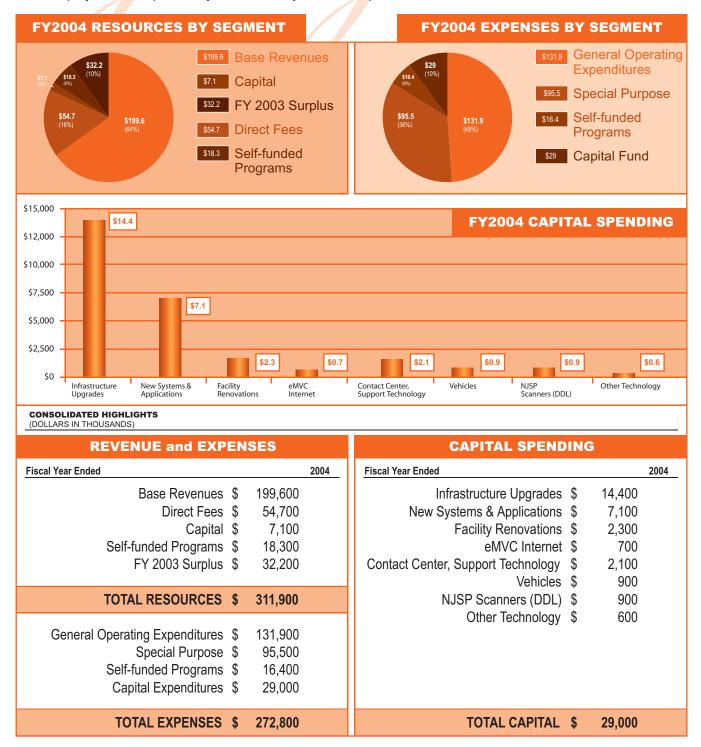
MVC's total expenditures were \$272.8 million for FY 2004. Of that amount, \$227.4 million represents total operating expenditures, \$16.4 million represents expenditures related to self-funded programs and, \$29 million represents capital fund expenditures.

Operating expenditures totaled \$227.4 million, including salaries, fringe and indirect benefits of \$92 million. Other operating expenditures include: materials and supplies of \$4.2 million, services other than personal of \$29.2 million and maintenance and fixed charges of \$6.5 million. There were \$95.5 million in special purpose expenditures, including \$68.2 million for the privately managed vehicle inspection program; \$6.1 million in additions, improvements and equipment; \$5.6 million in agency modernization, \$4 million for the Digital Driver License project, and \$11.6 million in other expenditures.

Bond proceeds are continuing to allow MVC to invest in the latest relevant technologies and processes to strengthen and modernize the organization's infrastructure. In FY 2004, \$29 million was spent on Trust Fund eligible projects. Infrastructure upgrades totaling \$14.4 million were completed, including the rewiring of motor vehicle agencies, computer hardware upgrades and security camera installation. New system and application expenditures, such as for the Digital Driver License program and Social Security verification technologies, totaled \$7.1 million. Expenditures related to eMVC Internet activities totaled \$700,000 for the continuing development and refining of MVC's Web site. Supporting technologies and process changes totaled \$2.1 million for the MVC Contact Center and document imaging equipment upgrades. Other capital improvements included vehicle purchases totaling \$900,000 to replace an aged transportation fleet and to meet the needs of a growing MVC security staff and

other MVC operating areas. DDL scanners for State Police vehicles were purchased for \$900,000. Other related technology expenditures totalled \$600,000. Facility renovations totalling \$2.3 million were completed.

A surplus of \$39.2 million has been carried over to FY 2005, ensuring MVC's fiscal integrity, and covering any revenue shortfalls or unplanned expenditures. It is anticipated the surplus will support programs in subsequent fiscal years that will begin in FY 2005, such as re-engineering the organization's comprehensive computer system, the potential relocation of several MVC facilities or the construction of new facilities on newly purchased property. Each of these projects could potentially take several years to complete.





#### **Agency Operations**

Agency Operations ensures the integrity of all MVC processes and transactions and the validity and accuracy of all motor vehicle documents at the 45 agencies throughout the State. This area has undergone significant changes since the inception of the Motor Vehicle Commission.

The staffing of 1,043 positions for the 45 motor vehicle agencies and support functions represents a 16.7 percent increase in salary funding from \$37.1 million in FY 2004 to \$43.3 million in FY 2005. This increase is due to several initiatives, including Saturday hours and the issuance of driver licenses to documented non-U.S. citizens with temporary visas at all MVC agencies. Agency Operations staff supports the 6 Point ID process, Digital Driver License program and more recently the movement of the Temporary Visa Restriction (TVR) process to the agencies from Regional Service Centers. The FY 2005 Budget provides increased funding for new initiatives as MVC provides for the operation of "business centers" for its customers versus the basic licensing and registration process.

The FY 2005 budget includes initiatives such as the Mobile DDL program and Social Security Verification program.

#### Security, Investigations and Internal Audit

Security, Investigations and Internal Audit is responsible for providing a secure environment for customers and employees, providing internal controls and reducing the number of fraudulent documents in circulation.

Security & Investigations is continuing MVC's commitment to enhance security for customers and employees. The Law Enforcement Agency Security Enhancement program (LEASE) is anticipated to cost \$4.725 million in FY 2005. Local police departments or county

sheriff's offices provide security at 28 MVC sites. An additional \$1.2 million is budgeted for six members of the New Jersey State Police for statewide document fraud investigations. MVC is reimbursing the Division of Criminal Justice for investigators to support investigations within MVC.

To protect employees and customers, MVC is anticipating the procurement of a security system for the Trenton Office Complex. This project supports MVC's commitment to developing a comprehensive security plan.

#### **Driver Management & Regulatory Affairs**

Driver Management & Regulatory Affairs is accountable for the oversight of MVC programs that manage and regulate motorist information and activities.

In FY 2005, Driver Management & Regulatory Affairs will be required to implement two federally mandated programs – School Bus Endorsement and Hazardous Materials Endorsement (HME). MVC has applied for and received \$2.2 million in federal funding for the School Bus Endorsement Program, which must be completed by September 2005. HME, which requires MVC to perform criminal background and other checks on all Hazmat and limousine applicants and renewals, will be funded from MVC's operating budget.

In conjunction with the state Department of Transportation's Research Program, MVC is currently receiving proposals to study recidivism rates for drivers administratively suspended by MVC. This study is projected to cost \$100,000 and will assist MVC in creating effective policies to deal with problem drivers.

The FY 2005 budget also includes an automated tracking system to perform periodic compliance reviews of MVC licensees, including dealers, auto body facilities and driving schools, as well as an expanded monitor-

ing capability of businesses licensed and regulated by MVC. These programs will support the management of schedules, audit results and gather information to be used as a management tool to pinpoint areas of concerns. MVC has budgeted \$944,000.

#### **Operations Support**

Operations Support undertakes a number of diverse activities that include the exchange of information with other State agencies, updating driver record files, conversion of hardcopy driver documents to indexed microfilm, and operation of MVC's toll-free customer hotline.

MVC's Contact Center has undergone numerous changes starting with the installation of a new phone system by Avaya, Inc. This project, which totals over \$1 million, will provide customers with menu options that allow for the quick resolution of problems. This system will also provide MVC with reports that detail call volumes, flows, type of calls and data analysis. Future applications will provide the customer with the ability to pay restoration fees and obtain directions to MVC facilities.

MVC will store digital images on platters, potentially resulting in lower storage costs. MVC has budgeted \$500,000 for this effort in FY 2005.

With the state-mandated change to a four-year registration cycle, MVC will provide necessary staffing to support external business partners, such as NJCAR, GSS and CVR, along with the remaining car dealerships and leasing companies, by providing a Four-Year Registration Hotline. MVC estimates that 600,000 new cars will be purchased next year. MVC has budgeted \$154,000 for this effort, which includes three new staff positions.

The FY 2005 budget also provides for necessary staffing to support the Social Security Satellite Phone Office that will allow MVC to verify New Jersey drivers' personal information. MVC has partnered with the Social Security Administration in this effort at a cost of \$117,000.

#### **Information Technology**

Information Technology is responsible for improving customer service through innovative technology and internal processes, and through creating a flexible architecture that enhances employee productivity and helps to eliminate fraud.

MVC is continuing to move forward with systems improvements directly related to security and customer service. The anticipated cost of the Digital Driver License (DDL) program is \$4.3 million for FY 2005. MVC is anticipating the issuance of an RFP in FY 2005 that will provide for central issuance of DDLs.

MVC is embarking on a multi-year project to re-engineer the current MVC Comprehensive System to become more adaptable and responsive to agency and legislative requirements, improve the accessibility and accuracy of data, and preserve a secure networking environment. MVC intends to publicly procure these services and therefore a defined budget will not be revealed until the appropriate time.

In order to provide a better accounting and systems integration for over-the-counter transactions, MVC FY 2005 budget will support required software and systems development services to provide customers with the option of using credit and debit cards. MVC intends to publicly procure these services and therefore a defined budget will not be revealed until the appropriate time.

#### **Driver Inspection & Vehicle Testing**

Driver & Vehicle Testing is responsible for driver testing, vehicle inspection and administration of the Regional Service Centers and operations.

In FY 2005, MVC is anticipating the cost for the operation of the State's central inspection lanes to be \$67.6 million.

MVC is scheduled to participate in the Bureau of Citizenship and Immigration Services (BCIS) status verification service system that will help address the security concerns.

#### **MVC's Security Role**

The NJ Motor Vehicle Commission (MVC) is among the agencies and departments that form New Jersey's front line of Homeland Security.

MVC's own front line is comprised of more than 800 motor vehicle agency employees whose daily duty is to sort the real from the fraudulent: to ensure that the person passing documents at the motor vehicle counter is the person whom he or she purports to be.

Official documents provide access and can silence suspicion. Indeed, keeping official documents from people who are not legally entitled to them is MVC's most important task and a key piece to securing the state and nation.

#### **MVC Security Agenda**

MVC's agenda is to continue progress in turning what was once an "easy target" for the criminal element into a safe, secure and well-monitored state agency. To do that, an approach to security that covers a multitude of angles is necessary.

For that reason, the organization's security agenda is multi-faceted. Agency employees are being trained to be effective spotters of document fraud, but they form only the tip of MVC's security spear. Other integral elements, such as uniformed police, covert investigators, internal audits and security cameras interact to eliminate fraud at MVC agencies and everywhere MVC does business.

In the last year, MVC has unveiled numerous security-related programs that use new technologies and require employee training. Together, they comprise a formidable defense against document fraud and identity theft, the nation's number one consumer crime.

In the years to come, MVC will continue to use technology and training, and draw on experience to update the organization's security agenda.

## ■ Security Cameras: Another Tool

Security Services & Technology, Inc. (SST) of Eatontown has commenced installing security cameras at MVC agencies throughout the state, a project mandated by state law that will be completed before November 2004.

On July 20, 2004, MVC's Trenton Regional Service Center became the first facility to begin using the technology.

MVC's \$2.4 million contract with SST is for the installation of nearly 500 of these cameras throughout MVC facilities, providing crystal clear, closed-caption viewing of agencies to MVC security personnel.

This camera system is further improving document fraud detection and serving customers by providing a modern, efficient investigative tool to MVC and law enforcement.

At this time, 34 MVC agencies are using this investigative technology, which monitors entire agencies, and in some cases, parking lots and other exterior areas.

MVC's security and investigative personnel can view agencies through these cameras any time of the day or night through personal computers with a high-speed Internet connection and a security clearance code.

It is important to note that MVC will only use recorded agency activity, or live closed-caption viewing, during an active investigation.

The number of actual cameras in each agency will vary based on the assessment of MVC's security experts, who will take into account the size of the agency, among other factors.

"Things have changed so much that you shouldn't be surprised if you're greeted with a hello and a smile from an employee."

 $\begin{array}{c} \textit{Daily Journal} \text{ of Vineland, editorial,} \\ \text{`MVC Changes putting us in a smiling mood'} \\ \hline \textit{7-2-04} \end{array}$ 



(A look at part of the investigating process.)

	Rollout Schedule	
Agency Sequence	Installation Date	
Bakers Basin	10/1/2004	
Bayonne	9/1/2004	<b>~</b>
Bridgeton	10/12/2004	
Camden	9/27/2004	<b>\</b>
Cardiff	7/19/2004	·
Cherry Hill	9/28/2004	·
East Brunswick	9/2/2004	·
East Orange	8/12/2004	,
Eatontown Regional/Agency	8/9/2004	·
Edison	9/29/2004	
Elizabeth	8/16/2004	·
Englewood	8/17/2004	·
Flemington	9/14/2004	Ì
Freehold	9/7/2004	·
Haddon Heights	9/30/2004	·
Irvington	8/30/2004	- V
Jersey City	8/2/2004	- V
Lakewood	9/23/2004	V
Lodi	8/18/2004	- V
Manahawkin	10/4/2004	
Matawan	9/21/2004	<b>4</b>
Medford	10/5/2004	V
Morristown	9/15/2004	<u> </u>
Mount Holly	10/6/2004	, ·
Newark	8/26/2004	<b>4</b>
Newton	8/25/2004	V
North Bergen	8/5/2004	- V
Oakland	8/24/2004	Ż
Rahway	9/9/2004	- V
Randolph	9/16/2004	Ž
Rio Grande	10/13/2004	, ·
Salem	10/14/2004	
Somerville	9/17/2004	<b>4</b>
South Plainfield	9/13/2004	·
Springfield	8/31/2004	·
TOC Special Services	10/20/2004	V
TOC State Police		
TOC Training Room		
Toms River	10/7/2004	
Trenton Regional/Agency	7/9/2004	<b>~</b>
Vineland	10/18/2004	T '
W. Deptford Regional/Agency	7/22/2004	<b>4</b>
Wallington	8/19/2004	
Washington	9/8/2004	
Wayne 46	7/26/2004	
Wayne Regional/Agency	7/28/2004	
Williamstown	10/19/2004	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
Wyckoff	8/23/2004	<b>\</b>
NOTE:		

## ■ LEASE Program: Cops in our Shops

LEASE Progran Participants

As a crime deterrent, few security measures trump a uniformed police presence.

MVC kept this in mind when creating the Law Enforcement Agency Security Enhancement (LEASE) program. Local police departments in the state whose jurisdiction includes a motor vehicle agency have been asked to participate. County sheriff's departments have been contacted, and in some cases contracted, to staff agencies in municipalities whose police departments have declined MVC's yearly \$105,000 stipend.

Local and county law enforcement has adopted the program throughout the state, accepting as their responsibility the security of MVC agencies. Less than a year into LEASE, more than 50 percent of MVC's agencies have a uniformed police presence every business hour of every business day.

Additional agreements with local police departments are expected in the near future. Within a year MVC anticipates having a uniformed police presence at each of the organization's 45 agencies.

Currently, 28 locations have implemented this program, and three more will join before 2005. The most recent addition to the program was the Camden City Police Department, which began at the Camden Motor Vehicle Agency on September 1.

LEASE is expected to cost MVC approximately \$5 million annually when fully implemented.

Agency	County	Sheriff / Police Dept.	Start Date
Cardiff	Atlantic	Egg Harbor Township Police Department	February 1, 2004
Englewood	Bergen	Englewood Police Department	June 1, 2004
Lodi	Bergen	Lodi Police Department	February 1, 2004
Wallington	Bergen	Wallington Police Department	February 1, 2004
Mt. Holly	Burlington	Mt. Holly Police Department	May 1, 2004
Camden	Camden	Camden City	September 1, 2004
Cherry Hill	Camden	Cherry Hill Police Department	June 1, 2004
Haddon Heights	Camden	Haddon Heights Police Department	May 18, 2004
Bridgeton	Cumberland	Bridgeton Police Department	March 29, 2004
East Orange	Essex	East Orange Police Department	February 17, 2004
Irvington	Essex	Irvington Police Department Yes	April 19, 2004
West Deptford	Gloucester	West Deptford Township Police Department	July 1, 2004
Williamstown	Gloucester	Monroe Township Police Department	February 1, 2004
Bayonne	Hudson	Bayonne Police Department	March 1, 2004
North Bergen	Hudson	North Bergen Police Department	March 1, 2004
East Brunswick	Middlesex	East Brunswick Police Department	March 1, 2004
Eatontown	Monmouth	Eatontown Police Department	July 1, 2004
Manahawkin	Ocean	Stafford Township Police Department	November 24,2003
Toms River (Dover Twp)	Ocean	Dover Township Police Department	May 2, 2004
Wayne 46	Passaic	Wayne Police Department	January 1, 2004
Wayne 23	Passaic	Wayne Police Department	March 1, 2004
Wayne Regional	Passaic	Wayne Police Department	March 1, 2004
Salem (Mannington Twp)	Salem	Salem City Police Department	April 1, 2004
Somerville	Somerset	Somerset County Sheriff	April 1, 2004
Newton	Sussex	Sussex County Sheriff Yes (verbal)	?
Elizabeth	Union	Police Department Yes	April 1, 2004
Springfield	Union	Police Department Yes (verbal)	?
Washington	Warren	Washington Police Department	March 15, 2004

(A LEASE officer.)



#### ■ 6 Point Identification: Effective ID Verification

Simply put, this program is the foundation of keeping authentic documents from those who would commit fraud to obtain them.

The intentions of those who attempt to fool MVC are as diverse as the people themselves. Whatever their intentions, because of this program they are being stopped before their ideas become reality.

More than one million New Jersey motorists have obtained a Digital Driver License (DDL) since January 20, 2004. All of them have met the requirements of this important identification verification program, which has been **cited nationally as a best practice**.

For a great majority of motorists, 6 Point ID is an easily completed task that requires a simple compiling of personal documents. MVC employees must see and verify the authenticity of these documents at an agency counter before issuing a DDL, non-driver ID, permit and other documents.

This program has leveled the playing field, so to speak. With MVC agency employees using this program every day, 6 Point ID has resulted in the arrest of more than 800 people, customers and employees alike, whose attempts to use fraudulent documents, or illegally obtain or issue official documents, were thwarted, since October 2003.

#### 6 Point ID: An MVC regulation since September 2003

MVC's agency employees and Communications Office are continuously informing the public about this program. Outreach became even more important in July 2004 when MVC ceased renewing driver licenses by mail. This important security policy change brought a whole population of motorists into MVC agencies who had renewed their licenses by mail for many years.

Information on 6 Point ID is available 24 hours a day on the MVC Web site and via a 24-hour toll-free automated phone number, in English and Spanish. Brochures are mailed three months before expiration dates as inserts in every driver license renewal notice. This three-month advance notice allows motorists a reasonable amount of time to compile the proper documents.

The media has been a welcome partner in disseminating this information.

To make this program work properly, MVC employees must know a fraudulent document from an official one. The training model suggested by the American Association of Motor Vehicle Administrators (AAMVA) for document fraud

detection techniques continues to guide MVC. Training of this type, as you will read later in this report, continues.

Training classes include 'Introduction to Document Fraud,' 'Basic Document Fraud,' 'Advanced Document Fraud,' 'Motor Vehicle Title Identification,' 'Identity Theft and Personal Protection' and 'Document Fraud for Law Enforcement.'

In the last year, MVC has taken it a step farther by using what it has learned to train more than 2,200 law enforcement personnel, including local and State police, and various FBI officials. MVC also instructs classes on document fraud detection at the state Office of Counter-Terrorism's annual four-day conference and at numerous local and county counter-terrorism schools, as well as for local joint task forces on terrorism.

MVC has also provided training for dozens of New Jersey bar and restaurant owners as part of the 'We check for 21' classes.

#### **MVC Facility Arrests** Official Misconduct **Disorderly Conduct** Deportation (Theft, Bribery) Counterfeiting Other Trespassing (Knowingly exhibit or possess, tampering w/ records, forgery) Receive Stolen **Identity Theft Drug Possession Property** Warrants Robbery

AGENCY	Total	A	В	C	D	E	F	G	Н	I	J	K	L
1. Baker's Basin	18	3	14			1							
2. Bayonne	4		3	1									
3. Bridgeton	9		8				1						
4. Camden	6		5		1								
5. Cardiff	79		73	1	2		3						
6. Cherry Hill	7		5				2						
7. East Brunswick	34		27	1	1	2	2	1					
8. East Orange	72		70	1		1							
9. Eatontown	70		59	3	4	3			1				
10. Edison	15		11	2		1	1						
11. Elizabeth	29		25	2		1	1						
12. Englewood	4		4										
13. Flemington	8		8										
14. Freehold													

AGENCY	Total	A	В	C	D	E	F	G	Н	I	J	K	L
15. Haddon Heights	2		1				1						
16. Irvington	18		14	2	1				1				
17. Jersey City	11		11										
18. Lakewood	55		51	2			1						
19. Lodi	21		14	5	1		1						
20. Manahawkin	5		3		2								
21. Matawan	2		2										
22. Medford	2		2'										
23. Morristown	6	1	3				1				1		
24. Mt. Holly	21		17		1	1	2						
25. Newark	24		24										
26. Newton													
27. North Bergen	9		7		1		1						
28. Oakland	7		6		1								
29. Rahway	14		12	1			1						
30. Randolph	2		2										
31. Rio Grande	6		3	3									
32. Salem	2		1	1									
33. Somerville	46		43		2		1						
34. South Plainfield	15		14				1						
35. Springfield	30	4	20				5					1	
36. Toms River	1		1										
37. Trenton	29		27	2									
38. Vineland	6		5		1								
39. Wallington	11		9			2							
40. Washington	8		4		2	1	1						
41. Wayne 46	29		28										1
42. Wayne Regional	30		27		3								
43. West Deptford	14	1	7	4		1				1			
44. Williamstown	6	3	2				1						
45. Wyckoff	5		5										
46. CRF INVESTIGATION	8		8										
47. OTHER	18	1	8				2		2			3	2
48. Trenton Office Complex	3	2	1										
49. PARSONS	3		2				1						
Totals	824	17	694	31	24	13	30	1	4	2	1	4	3

# "The best states (at verifying ID) are Arizona, Florida, Iowa, Kentucky, Maryland, Minnesota, New Jersey ...."

Coalition for a Secure Driver's License, news release, 3-29-04

#### May I See Your Documents, Please?

6 point ID verification? "I'm glad it's here," says Roy Queenan, a Customer Service Representative at MVC's Mt. Holly agency. "More folks are getting used to it. They realize it is not an argument to be won but what they really need."

Roy acknowledges that some customers have become frustrated with the process but that it actually gives them more access than in the past to use different forms of identification.

He says that MVC has done a good job of communicating information about this program to the motoring public through 6 point ID brochures and the MVC Web site, all of which clearly outline the acceptable documentation. "Word of mouth has also been good to let friends know what they need when they come in."

Initially, customers were often referred to a manager regarding acceptable documentation and reasonable exceptions when questions were raised about certain documents.

Now, employees have become more confident, which Roy credits to "the invaluable" ongoing customer service and document fraud training. He says he has become enthusiastic and can't wait to apply the information he has learned from those training courses. "I look at documents in a whole new way."

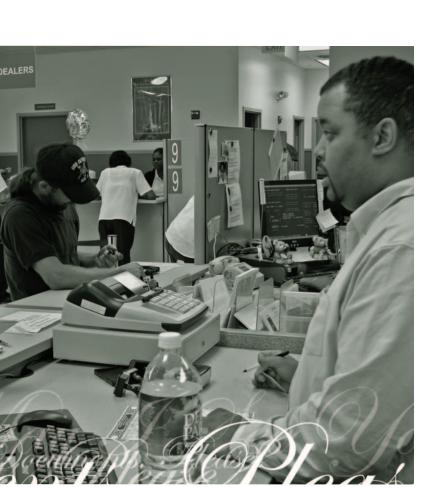
Roy appreciates that MVC is steadily moving towards getting everyone on the same page. "Now you feel that there is support."



#### The Latest MVC Security Enhancements

MVC is meeting the mandates of the Motor Vehicle Security and Customer Service Act.

- □ MVC's Security and Privacy Advisory Council will continue meeting and recommending new security strategies based on members' expertise. This council is among five that were created through legislation to help guide MVC into the future. The primary goal of this council is to advise MVC on becoming a more secure organization through technology, oversight and training.
- ☐ The Compass 4E Access Control System/CCTV is a security interface system that will be installed at MVC's administrative headquarters in Trenton. Compass 4E will improve the physical security of this garage-and-office complex by providing, among other interdictions, the capability to terminate access cards instantly.



(Roy Queenan)

□ Date of Death records are an important part of ensuring that licenses do not continue in circulation fraudulently. In conjunction with the state Department of Health, MVC has automated a process to post dates of death to driver status records. More than 38,000 such records from 2003 have been posted. Soon, MVC will have completed similar postings from 2000-2002.

This simple and efficient system improves both security and customer service and illustrates the new thinking occurring at MVC.

To make this process even more efficient, MVC is planning another partnership with the Department of Health to have a Vital Statistics kiosk or counter at MVC facilities. This informational booth will help customers learn how to acquire identification that they may need or are missing. Planning is ongoing.

#### Physical security upgrades continue, too

- □ Panic buttons have been installed at more than twothirds of MVC's 45 agencies. In the event of an emergency, an immediate alert is received at the central communications center of MVC's private alarm company, which then notifies local police of an emergency.
- □ More than 70 percent of the half-counter doors that separated the front of MVC agency counters from the workspace behind it have been replaced with full floorto-ceiling safety doors, providing a safer environment for MVC employees behind the counters. This project will be completed before 2005.



# Enhanced Customer Service: The MVC Way

In the last year, the NJ Motor Vehicle Commission (MVC) has amassed an undeniable record of enhanced customer service simply by approaching customers in new and better ways --

With a retail-like business process to greet customers early in their visits; with increased public communication through mailings, on the Web site and over broadcast channels, and with employee training regimens that help MVC employees learn to help our customers more efficiently and thoroughly.

Taken together, each has helped bring MVC to where it is today: Closer to the organization envisioned by the Fix DMV Commission.

Each week, in personal letters to the Chief Administrator, through the 'Contact MVC' page on MVC's Web

site, through conversations with agency managers and individual employees, MVC learns about positive visits to MVC agencies from satisfied customers.

Is the customer service reform effort complete? **No**.

However, newspapers frequently laud the efforts of personnel at MVC's 45 agencies. Fewer busy signals greet callers to MVC's Contact Center, which will soon provide modernized, voice-activated customer service. More services are available online. A customer-first attitude is prevailing.

MVC's reform effort is progressing. And enhanced customer service is now common.

To reach this point, MVC has incorporated many Fix DMV Commission recommendations into daily business practice. In the coming year MVC will enhance customer service even more. In the meantime, MVC employees' commitment to enhanced customer service continues every business minute.

"I was greeted by a few pleasant young women with clipboards, given the proper forms to fill out, and sat down ... . I barely got through reading the dust jacket and they called my name. I was done with the entire process in 30 minutes. Thank you, Gov. McGreevey, for fixing the DMV, as promised."

Terry Guzowski,

Asbury Park Press letters to the editor, 8-25-04



(The MVC Contact Center)

#### ■ MVC's All-New Contact Center

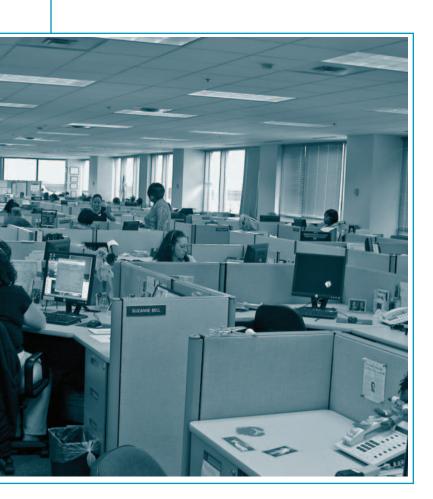
In the past, what customers received when they telephoned the MVC Contact Center was often more hassle than help. Those days are over, and even brighter days are on the horizon. On October 19, 2004 a seamless transfer to a new way of helping customers by telephone will occur.

Indeed, MVC's Contact Center is undergoing a striking overhaul.

Not only has the Contact Center been modernized and its staff provided with personal computers with access to informational manuals on MVC's employee Intranet, but also a new telephone system has been installed that will help thousands of customers each day track down the correct information.

A 'first contact resolution' process will be available in English and Spanish. MVC has also added numerous trunk lines to cut down on busy signals, which are vanishing after years of being commonplace.

### ■ A Major Enhancement — The Individual Solution



Each customer that calls the Contact Center has an individual problem. The new telephone system will provide customers with menu options that promote "first contact resolution" by routing individual callers to subject-specific Customer Service Representatives.

The new telephone system will provide call monitoring and allow for specific reporting of various data, enabling managers to produce detailed analyses of call volumes and flows, as well as subject matter. Managers, for the first time, will be able to analyze staffing and data issues with modern technology.

When the system goes live, MVC management will have the proper tools to determine if additional staffing is necessary to better serve the public, or if a simple enhancement to the Contact Center setup will improve service for all callers.

#### ■ IVR

Interactive Voice Response (IVR) is an integral ingredient to the new Contact Center telephone system. The implementation of detailed IVR messages, including 6 Point ID verification information and facility locations and hours, enhances this facet of MVC's customer service.

Currently, MVC is implementing an IVR "bulletin board" of MVC-related information for callers who reach the Con-

tact Center after business hours. IVR and Contact Center applications eventually will provide customers the ability to pay license and registration restoration fees over the telephone.



(Rita Taylor)

#### With Proper PCs, It's All Possible

This is what Susan Pasteur was asked when she came back to MVC after a hiatus:

"What did you say? You want to work in the MVC Contact Center?"

For approximately a dozen years, Susan Pasteur has chosen to be a customer service representative in the driver license and registration restoration unit of MVC's Contact Center. She says it's gratifying talking with customers who have motor vehicle-related problems ranging from the simple to the difficult and helping them solve those problems.

"I get great personal satisfaction when I can turn around angry customers by listening and then helping them with their situations," Susan says.

In the past year, Susan has seen the morale of her co-workers improve greatly as MVC continues to upgrade how the organization does business. A renewed partnership with MVC makes her feel even better about the work that she does. Recent access to personal computers for Susan and her co-workers has helped.

"Everyone is counting their blessings that we now each have PCs on our desks."

Using these new tools has made sharing information and problem resolution much faster and simpler. Now that computers are available, the frustration level for MVC personnel is much lower, and the satisfaction level of those they are attempting to help is much higher.

Regarding the new PCs, Rita Taylor, who supervises this unit, says: "Instant communication is so much more efficient. I don't have to wait or 'find the time' to communicate with my co-workers. Everyone gets the identical information at the same time."

Also new is the use of e-mail as a resource tool. "I can quickly reach out to other MVC employees who may have the expertise I need for a particular situation," Taylor says. She credits e-mail capability for helping her build rapport with more people in different areas of MVC.



(Marge Fitzsimmons)

#### ■ In the Future

A future customer service enhancement will be to offer customers who have completed a call the opportunity to take a survey regarding the service they received. Another is to record all customer calls and randomly capture PC screens to assure quality, assist in training and monitor customer service.

# Lastest Business Process Upgrades - Putting the Customer First

Greeting customers face-to-face upon their arrival in an agency is the first step in MVC's new retail-like agency business process. Knowledgeable MVC employees then make sure that customers have proper documents for specific transactions before directing them to the correct counter.

This process, in place at most agencies for the last six months and now in place at all MVC agencies, moves customers in and out more quickly than in the past. As a result, wait times are down.

MVC is continuing to develop and introduce other new customer service initiatives. The goal is to provide quick and efficient help to all customers, regardless of transaction type, facility location or the typical end-of-the-month rush.

#### No More Paper Cuts

While MVC's goal remains, in every instance, to make things easier for customers, some improvements MVC is undergoing happen to make it easier on the organization's employees.

This includes the jobs of MVC's general information customer service representatives in the Customer Contact Center. So says Marge Fitzsimmons, the manager of the unit.

"Everything is easier, from communication with co-workers to getting information necessary to help a customer."

No longer do the employees have to page through a cumbersome three-ring manual to locate the correct response for each customer inquiry. No longer do they wonder if their binder has been updated with the latest policy information. No longer is MVC's General Information Unit in the Dark Ages.

"The entire general information manual is on the intranet and now every operator has easy access to this information," said Marge. It would be an understatement to say that Marge is delighted on behalf of her employees now that the so-called paper trail is over.

The availability of Internet access also allows MVC Customer Service Representatives to direct customers to the MVC Web site and walk customers through locating the information.

Another benefit of a modern, "connected" general information unit is e-mail, which Marge says greatly improves internal communications. Policy updates are immediately available to all employees.

"Communication is clearer now," she says, uttering a phrase that would make the members of the Fix DMV Commission smile.

The following successful policy changes were made in the last fiscal year:

## **Commercial Driver License Permits at Every Agency**

In April 2004, MVC augmented its computer system to allow each of the 45 motor vehicle agencies located throughout the state to issue Commercial Driver License (CDL) permits. This policy change affects 60,000 applicants each year. Compared to the total number of transactions MVC completes annually, this may appear to be a small change. However, this transaction previously was completed only at one of MVC's four Regional Service Centers, which are among the busiest facilities in MVC's system.

## Non-U.S. Citizen Driver Licenses: A Shift to Efficiency

Another effort that enhances customer service focuses on non-U.S. citizens who are legally authorized to be in this country and whose visit is longer than 60 days.

MVC has tripled the number of facilities in which these customers can apply for or renew a driver license. Previously, only Regional Service Centers could complete this work. The number of locations is currently 14, with a majority of the facilities located in North Jersey, where motorists who require these transactions reside in much larger numbers than other parts of the state.

Additionally, by moving transactions from the Regional Service Centers, MVC can resolve any backlog that may exist for driver conferences, which are only undertaken at the regional facilities.

This customer service enhancement will eventually be rolled-out to all 45 motor vehicle agencies after customer service training and computer upgrades are completed.

Both enhancements are consistent with MVC's model of putting customers first and making policy changes that promote the quick completion of relatively simple transactions.

## ■ MVC's Mobile DDL Office

MVC is serving the state better by seeking sound, creative solutions to customer service problems.

Through interactive online service and face-to-face transactions, MVC is making an enormous effort to satisfy New Jersey motorists. To increase satisfaction and enhance customer service, the organization has incorporated a Mobile DDL Office into its customer service repertoire.

The genesis of this service enhancement was MVC's decision to stop renewing the state's driver license through the mail and to stop issuing non-photo licenses as part of an overall security upgrade. In the past, state driver licenses were too easy to fraudulently obtain or duplicate.



After years of renewing their driver license by mail, approximately 20 percent of the state's 5.7 million licensed motorists carry non-photo driver licenses. Many of these, 1.14 million, motorists are senior citizens who have not visited an agency in more than a decade. The MVC mobile office was created to serve senior citizens and others, such as large employers and office parks, in the best way possible during a time of change, and to remain proactive as thousands of "new" motorists begin to converge on already-busy agencies.

This retrofitted RV (recreational vehicle) will bring DDL-issuing machines and workstations to off-site locations. The mobile office has begun traveling to select locales as part of a pilot program.

Security has not been sacrificed for this customer service enhancement. Motorists who use the mobile office must meet the same requirements as those who obtain their driver license in an agency. A well-trained staff ensures that these requirements are met, in agencies and off-site.

(The MVC Mobile DDL Office)



## ■ Training MVC Employees to be Their Best

MVC has accomplished training-related objectives by investing time and resources in improving the organization's most important asset: Employees. Providing continual, relevant training to all employees is an MVC priority.

MVC's Training Office now has a staff of 14 employees. A year ago, this office did not exist.

MVC training programs use a combination of approaches based on the diversity of participants, budgets, training environment and what is being taught.

Moreover, career development, and tuition aid and reimbursement are available to qualified MVC employees who wish to increase their knowledge outside of work.

In-house, the traditional format of an educational program is the curriculum model. This approach focuses on dialogue between the trainer and participants, and among participants. Efficiency, focus and consistency are promoted through this model.

Approximately 300 employees have completed Customer Service training programs using a curriculum model. One thousand employees more will have completed it by spring 2005.

In August, New Employee Orientation began. All new MVC employees are required to complete this program, a three-day regimen that focuses on a corporate MVC, or how the organization is structured and functions. Focus on MVC's mission, the value of diversity, administrative information, and defining and preventing sexual harassment are integral parts of New Employee Orientation training.

MVC is using other successful training formats, such as interactive tutorials and CD-ROMs, which allow employees to remain on-site. Delivering technical training for programs like Social Security On-Line Verification, commercial license mandates and processing of temporary visa immigration status is convenient through either of these approaches.

Future MVC training environments will use what is called experiential learning. Training development is underway for role-playing, work-related vignettes and other approaches to practicing for actual work settings.

#### In Training MVC Trusts

"MVC employees need to know that there is hope. They need to know that there are ways to improve themselves." So says Gloria Tobin, MVC's coordinator of personnel training and career development.

This new unit operates under the assumption that when employees are cared about and respected and provided with tools to improve themselves, they generally perform their jobs more efficiently. Through the years, Gloria happily worked in many different areas within MVC, learning and accepting training along the way, so she knows this to be true.

And, she says, when organizations help their staff improve, "They are indirectly helping the public."

Gloria's professional journey to her present position was considerably self-guided. It's a different story at MVC at this juncture. The new training unit, formed in the last year, is effectively relaying information to MVC employees regarding career development. Employees are learning about, and taking advantage of, opportunities that are available for technical and other educational training.

Things are different now, she says, and employees are beginning to realize what is available to them, so Gloria is making sure that her unit is approachable and always ready to help. "We will always try to get our coworkers the training that they need."

"Now that people know that we're here to help, they have begun to contact us. The initial response has been quite good and we are anticipating that it will continue to increase."



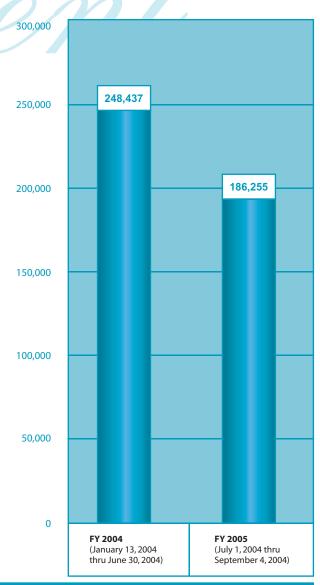
Trainees amass knowledge, skills and value from direct experience in these "mock" environments.

The Human Resource Development Institute (HRDI) at the Department of Personnel is MVC's partner for establishing curriculums in leadership development, communications, interpersonal skills and leading-edge technology programs.

A two-page quarterly bulletin is now published and MVC's 1st Annual Career Day Fair is set for today at the organization's administrative headquarters. Representatives from 12 institutes of higher education will be attending.



(Gloria Tobii



Saturday MVC Transaction	Totals
Period	Total
<b>FY 2004</b> (January 13, 2004 thru June 30, 2004)	248,437
<b>FY 2005</b> (July 1, 2004 thru September 4, 2004)	186,255
Total	434,692

- Each Saturday, the 45 agencies average over 15,000 transactions.
- On the busiest Saturdays, high volume location counts are in excess of 1000 per location.



While much remains to be done to update a computer system created almost a quarter of a century ago, the NJ Motor Vehicle Commission (MVC), in partnership with the Office of Information Technology (OIT), has completed several massive technology projects in the latest fiscal year.

Each project has enabled the organization to provide New Jersey motorists with enhanced security and customer service at a level unthinkable 12 months ago.

Information technology (IT) initiatives drive this organization to higher standards of customer service, improved employee efficiency and enhanced systemwide security and accuracy.

Several initiatives, such as the Digital Driver License (DDL) and the rewiring of motor vehicle facilities, have helped MVC to balance the impact that today's requisite security has on motorists' need for enhanced customer service.

Striking this balance has been among the organization's most important accomplishments. Because MVC believes equally in both enhanced security and customer service, maintaining this balance is among our most important challenges.

MVC's latest IT successes have set the groundwork for a modern work environment that allows every employee to promote a more reliable, more secure end product through face-to-face transactions at agencies and administrative headquarters or through secure transactions in cyberspace.

Indeed, remaking MVC's technology infrastructure has positioned the organization to react and adapt quickly, and promoted technology planning.

#### ■ Online Services

MVC continues to promote, expand and refine the organization's Web site not only to meet an important Strategic Planning goal but also to meet the expectations of today's consumers.

Customers want, need and deserve the option of a well-conceived and reliable online motor vehicle office. The name of today's customer-service game is self-service. Indeed, businesses like MVC that do not provide their customers the option of completing transactions online cannot be considered customer friendly.

MVC has made its home on the Internet a user-friendly, customer-oriented place where numerous transactions, in addition to registration renewals, can be completed.

#### ■ What's Now?

#### The 6 Point ID Web tool, or "Quick ID Picker"

An interactive Web tool added to the MVC Web site in April 2004. This tool promotes a better understanding of MVC's 6 Point ID Verification policy by allowing motorists to use this tool to compile personal document point values *before* going to an MVC agency.

**MyMVC for Citizens** is another recent addition to the MVC homepage. It functions as a PIN application. MVC provides a unique Personal Identification Number to each motorist, who can then sign into the application online.

MyMVC for Citizens provides customers with an inventory of their MVC-related documents, such as vehicle registration information and address change history. Citizens can access extensive information about their driver license and motor vehicles registered to them. Ultimately, all MVC online services will be accessible via MyMVC for Citizens.

## ■ What's Next?

#### **Personalized License Plates**

This application, anticipated in fall 2004, will allow customers to search online for the availability of lettering for a personalized standard license plate. In addition, customers will have the option to order personalized specialty plates, such as the popular "Shore to Please" plate and others, like "Conquer Cancer," After selecting available text, customers can pay by credit card. All text must be approved by MVC.

## Accelerated Registration Fee Calculator Application

In response to car dealers' concerns, MVC is on track to develop an online Accelerated Registration Fee Calculator application

for certain vehicle types, which is anticipated in October 2004. Concern was raised after a new four-year registration cycle was approved in the FY 2005 state budget. This new registration cycle becomes effective in October.

#### Address Change in Real-Time, (Winter 2004)

MVC is developing an online service that will allow motorists who change their address through the MVC Web site to update the organization's Comprehensive System simultaneously.

## ■ Completed Initiatives

#### The Digital Driver License

Perhaps the biggest ever multi-agency undertaking by New Jersey state government, MVC's Digital Driver License (DDL) initiative was completed in mid-May – more than a month ahead of schedule. Few problems and outstanding cooperation among the many state agencies involved contributed to a sparkling finished product – the most secure driver license in the country, one that has allowed New Jersey to leave behind a reputation for having easily copied state driver licenses.



The new license decreases the opportunity for fraud, identification theft and other malfeasance. Completion of this project required MVC to cease issuing the state's old laminated photo and non-photo licenses. MVC ceased renewing driver licenses by mail in July 2004.

State security has been increased through this long-overdue, seamless technology upgrade. To date, more than one million DDLs have been issued, accounting for more than 10 percent of New Jersey's licensed drivers. By July 2008, all "old style" licenses will have expired.

## ■ Improved Infrastructure

Technologically speaking, each of MVC's 45 motor vehicle agencies is now equipped for the future. They have been rewired to accept and power the latest technology.

This means everything for the average New Jersey resident who takes time from his or her schedule to renew their driver license at the local motor vehicle agency. MVC agencies – and MVC itself – are now technology enabled.

MVC is positioned for new IT initiatives such as pointof-sale terminals, accepting credit and debit cards for payment and a new, faster, more adaptable comprehensive computer system for the agencies and throughout MVC.

This infrastructure will support every new technology initiative to come.

## ■ Other Technology Accomplishments

MVC hired a technology architect in January 2004 to oversee the modernization and maintenance of the 24-year old Comprehensive System, a network based on obsolete technology.

MVC awarded contracts to replace all outdated printers and "dumb" terminals throughout the 45 MVC agencies with technologically current, interactive and Internet-based systems.

By October 2004, MVC will have the ability to test foreign language driver license applicants by computer. A contractor is currently transcribing the MVC written test into a software-based medium, making it easier to take and to score for MVC customers and employees, respectively. Languages in which the computer test will be given, in addition to English and Spanish, include: Arabic, Chinese, French, Japanese, Korean, Polish, Portuguese and Russian.



#### For the state, a Secure Driver License

As the testing manager for the Digital Driver License project's hardware and software, Joe Csolak, to say the least, was absorbed by what's generally considered the largest, most detailed and technical undertaking ever by New Jersey state government.

Not only were Joe and his team – a willing and knowledgeable group of recruits – responsible for making the myriad pieces of the project work together, but they also had to do it quickly. With only one day at each agency allotted for installation, they had to convince their harshest critics – themselves – that when the public came calling the next morning everything would be in order.

It was a supremely high-profile project, so little could be left to chance.

"It makes me feel good to see an undertaking like this actually get off the way it did," Joe says.

The project had been on the drawing board for years. What will continue for many more years is the team's pride in serving the State well.

"Resources were made readily available to complete this project," says Csolak, a motor vehicle employee for 20 years. "The expertise of the team members was utilized as well as all the needed internal MVC resources. So many different units contributed to the success of DDL implementation."

This cooperation, sometimes a difficult proposition for projects of this type in private industry or government, proved immensely satisfying for the team.

Csolak believes this led to an enhanced team spirit, one that boosted everyone's enthusiasm and helped reduce the projected DDL implementation time by almost two months. "Many of us agreed to work weekends in order to get all the agencies finished."

One of the biggest rewards for Joe personally was to see the smiles on the faces of MVC's customers when they experienced the new system. Indeed, it is a goal repeatedly realized when customers receive a DDL less than 10 minutes after reaching the counter.



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MVC is committed to meeting two federal mandates that impact New Jersey's commercial drivers: The School Bus and Hazmat Endorsements.

Both will help ensure a high level of commercial vehicle safety and security in New Jersey. These programs, required by the Motor Carrier Safety Administration (MCSA) and outlined in the Motor Carrier Safety Improvement Act (MCSIA) of 1999 and the USA Patriot Act of 2001, are administered by the Transportation Safety Administration (TSA) in the federal Department of Homeland Security.

To help pay for implementation, MVC submitted an \$8.1 million grant proposal to MCSA to cover the cost of these, and other, federally mandated programs. Approximately \$3.2 million is expected to be awarded, though these anticipated grants do not meet the \$4.5 million anticipated implementation costs.

Because federal homeland security funds granted to New Jersey and distributed to state agencies fail to meet MVC's needs in this arena, state funds must be used.

# The School Bus Endorsement Program — "S" Endorsement

Stricter testing and licensing requirements will improve school bus safety, and in turn, student transportation, according to MCSIA.

This program requires school bus drivers to pass updated knowledge and skills tests before obtaining a new endorsement. This program, which has a deadline for program completion of September 30, 2005, will impact approximately 40,000 school bus drivers in New Jersey.

MVC has made significant progress toward readying this program. A comprehensive public information and

communications program is being developed, including Web-based information, mailings and fact sheets, as well as group testing for school bus carriers. These materials, and MVC employees, currently are notifying all existing operators and owners of the new requirements and procedures.

#### Additionally:

- Proposals for increased staffing and hours of operation at affected facilities have been developed
- New regulations were published for comment in *The New Jersey Register* on September 6, 2004
- The Office of Information Technology (OIT) has begun programming efforts to upgrade MVC's computer systems

# Hazardous Material (Hazmat) Endorsement Background Check

Under the USA Patriot Act of 2001, states are required to fingerprint and perform background checks on hazardous material (Hazmat) drivers and applicants.

Provisions of this Act require TSA to verify and clear all Hazmat operator endorsements before states can issue an endorsement. This clearing process will require integrated checks among mental health databases, FBI, the Bureau of Citizenship and Immigration Services (BCIS) and various international terrorist databases.

New Jersey will commence processing of criminal background checks for all initial or transfer Hazardous Material Endorsement (HME) applicants on February 1, 2005. This program will ultimately affect nearly 65,000 drivers in New Jersey and will require extensive programming changes, statute amendments and distribution of HME informational materials, as well as training and auditing of all functions.

OIT has started programming system changes specific to this mandate and industry outreach programs are being developed.

Additionally, MVC has consolidated and initiated four distinct CDL service support groups in preparation of implementation:

- CDL Help Desk for Driver & Vehicle Testing
- CDL Help Line in Operations Support
- CDL Technical Unit in Program Management and Systems Development
- CDL Support Unit in Driver Management & Regulatory Affairs

This consolidation will improve MVC's ability to provide consistent and accurate information along with timely record updates and compliance with the new regulations.

A progress update on these important federal mandates will be forthcoming in MVC's March 2005 report.

MVC is seeking \$5.3 million in additional grants recommended by the Security and Privacy Advisory Council in the following areas:

- To build a computer system that more thoroughly documents foreign nationals who have been issued a driver license in the state. This system would keep MVC apprised of an individual's alien status.
- To institute a *Fingerprinting/Live Scan system*, which would be coordinated to help meet the previously mentioned federal mandate to fingerprint all applicants for a Hazmat CDL endorsement. Live Scan would permit MVC to transfer a fingerprint immediately to NJ State Police and other data bases.
- To institute *biometric technology*, which identifies individuals based on digitally scanned index fingers and facial recognition digital pictures, as part of the Department of Homeland Security's US-VISIT program.



Standard and Poors (S&P) Consulting is virtually finished studying how well MVC's facilities serve the needs of the public, and is on track to finish its contracted work during October 2004.

The final report will unveil a system-wide strategy for MVC facilities new and old. It will contain a year's worth of data culled from more than 7,400 personal interviews, surveys and other data collection devices.

This new strategy will help direct where MVC buys, builds and leases any new facility. It will be based on convenience (such as proximity to mass transit) and safety for customers and employees. Fieldwork, including visits by S&P's Siting Study Team to each of MVC's facilities, has been completed and a final evaluation of the data is occurring.

Senior MVC management has played an important role in shaping S&P's final report.

An interim assessment was issued by S&P in July 2004 and incorporated information collected from the thousands of personal interviews. Among the findings S&P professionals discovered during their research include:

- Wayne regional customers are among MVC's most dissatisfied customers (relating to proximity to mass transit)
- · Across all facilities, most customers perceive safety to be at least 'acceptable'
- 90 percent of customers desire a motor vehicle agency closer to their home
- · Registration and license (transactions) top the list of services required for customers that were surveyed
- More than 50 percent of customers in MVC's busiest facilities found property quality to be only 'acceptable' or 'poor,' and overall 30 percent rate it that way
- Storage for official documents is lacking at many facilities
- Customers are most interested in weekday evening and Saturday hours
- A new Regional Service Center is critically needed to supplement the existing four
- Space for vision testing is nonexistent or inadequate at many facilities
- Parking is a problem at many facilities
- 31 percent of customers are forced to return another day due to crowded facilities
- Crowded facilities cause all services to take longer to complete than MVC's 20-minute goal, except DDL service and license plate return

S&P's final report will incorporate real estate costs, population statistics, services demand and drive time. MVC will be positioned to move forward and make site-specific decisions for new or relocated facilities.

How the strategy unveiled in this report can best be implemented will be described in MVC's March 2005 report.

#### A Study on Fairness With Rutgers University

The Driver License Suspensions, Impacts and Fairness study mandated by legislation that created the NJ Motor Vehicle Commission (MVC) was initiated in September 2003.

A Rutgers University research team conducting the study and led by the Alan M. Voorhees Transportation Center also includes researchers from the university's Heldrich Center for Workforce Development, and the School of Social Work.

Determining negative and unintended consequences of driver license suspension and examining methods for reducing or eliminating such consequences is the focus of the study.

At this time, researchers have completed a comprehensive literature review on these topics and completed a nationwide survey of state motor vehicle agencies, which has led to an expert understanding of current and best practices in the arena of mitigating unintended driver license suspension consequences.

The survey and a series of key interviews with motor vehicle representatives from other states have provided the research team with an inventory of driver license suspension mitigation program information.

Additionally, researchers are now engaged in extensive statistical and geographical analysis of suspended driver data gleaned from the MVC driver database. To enhance this analysis, a survey will be sent by mail before October to a randomly selected sample of 7,500 state motorists whose driving privileges have been or were suspended. A goal is to collect personal data on the impacts of license suspension from those suspended and to gauge public opinion regarding conditional license programs.

The research team anticipates completing the study by December 2004. More information will be available in MVC's March 2005 report.

## NEW JERSEY MOTOR VEHICLE COMMISSION ANNUAL BUDGET

SUMMARY OF REVENUE AND EXPENDITURES FOR FISCAL YEAR ENDING JUNE 30, 2004

Resources	
FY 03 Reappropriation	\$32,247,671
MVC Base Budget	\$199,605,683
New Fees	\$54,698,493
MVC Trust Fund Eligible Capital Proceeds	\$7,058,802
Commercial Vehicle Enforcement Fund	\$2,745,167
Security Responsibility	\$13,668,429
Bus Inspections - School and Commercial	\$1,957,220
Total Resources	\$311,981,465

Operating Expenditures	
Salaries, Fringe and Indirect	\$91,965,894
Materials and Supplies	\$4,235,567
Services Other Than Personal	\$29,214,678
Maintenance and Fixed Charges	\$6,448,353
Claims and Indirect	\$50,000
Special Purpose:	
Vehicle Inspection Program	\$68,168,507
Agency Modernization	\$5,632,417
Digitized Driver's License	\$4,033,619
Graduated Driver's License	\$0
Reflectorized Plates	\$4,476,679
On-Line Registrations	\$3,126,628
Bus Inspections - School and Commercial	\$3,616,373
Surcharge Administration	\$1,859,517
Additions, Improvements, Equipment	\$4,574,506
Total Operating Expenditures	\$227,402,739



MVC Trust Fund Capital Projects	
Infrastructure	\$14,413,903
Systems and Applications	\$7,085,161
eMVC	\$683,151
Supporting Technologies and Process	\$2,061,495
Other	\$3,185,708
Subtotal MVC Trust Fund Capital Projects	\$27,429,418

Non-MVC Trust Fund Capital Projects	
Technology	\$603,491
Facility Renovations	\$912,004
Subtotal Non-MVC Trust Fund Capital Projects	\$1,515,495

Other Fund Supported Expenditures	
Commercial Vehicle Enforcement Fund	\$2,745,167
Security Responsibility Fund	\$13,668,426
Subtotal Other Expenditures	\$16,413,596

Total Expenditures	\$272,761,248
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Total Resources  Total Expenditures	\$311,981,465 \$272,761,248
Total Surplus/Deficit	\$39,220,217

#### NEW JERSEY MOTOR VEHICLE COMMISSION ANNUAL BUDGET

FOR FISCAL YEARS ENDING JUNE 30, 2005 and JUNE 30, 2006

Resources	FY 2005	FY 2006
Prior Year Reappropriation	\$39,220,217	\$18,945,217
MVC Base Budget	\$196,619,000	\$197,650,000
New Fees	\$53,415,000	\$55,000,000
MVC Trust Fund Eligible Capital Proceeds	\$39,240,000	\$41,021,000
MVC Trust Fund Eligible Capital Proceeds (FY 03)	\$9,329,000	\$0
MVC Trust Fund Eligible Capital Proceeds (FY 04)	\$11,042,000	\$0
Commercial Vehicle Enforcement Fund	\$12,449,000	\$11,742,000
Security Responsibility	\$14,683,000	\$14,700,000
Bus Inspections - School and Commercial	\$1,940,000	\$1,940,000
Grant Awards	\$5,568,475	\$0
Total Resources	\$383,505,692	\$340,998,217

Operating Expenditures	FY 2005	FY 2006
Salaries & Fringe	\$138,205,000	\$138,910,000
Materials and Supplies	\$2,943,000	\$2,600,000
Services Other Than Personal	\$36,152,000	\$30,600,000
Maintenance and Fixed Charges	\$6,549,000	\$5,500,000
Claims and Indirect	\$2,000,000	\$2,100,000
Special Purpose:		
Vehicle Inspection Program	\$71,675,000	\$72,000,000
Agency Modernization	\$4,530,000	\$2,000,000
Digitized Driver's License	\$4,342,000	\$1,200,000
Graduated Driver's License	\$1,119,000	\$1,200,000
Reflectorized Plates	\$4,600,000	\$4,600,000
On-Line Registrations	\$3,191,000	\$3,200,000
Bus Inspections - School and Commercial	\$4,730,000	\$4,800,000
Surcharge Administration	\$1,500,000	\$1,900,000
Additions, Improvements, Equipment	\$1,729,000	\$1,500,000
Total Operating Expenditures	\$283,265,000	\$272,110,000

MVC Trust Fund Capital Projects	FY 2005	FY 2006
Infrastructure	\$3,324,000	\$4,800,000
Systems and Applications	\$18,938,000	\$17,121,000
eMVC	\$1,719,000	\$2,800,000
Supporting Technologies and Process	\$523,000	\$3,000,000
Other	\$14,736,000	\$13,300,000
Subtotal MVC Trust Fund Capital Projects	\$39,240,000	\$41,021,000

Non-MVC Trust Fund Capital Projects	FY 2005	FY 2006
Technology	\$5,760,000	\$1,800,000
Capital Equipment	\$8,237,000	\$1,300,000
Subtotal Non-MVC Trust Fund Capital Projects	\$13,997,000	\$3,100,000

Other Fund Supported Expenditures	FY 2005	FY 2006
Commercial Vehicle Enforcement Fund	\$7,807,000	\$7,100,000
Security Responsibility Fund	\$14,683,000	\$14,700,000
Subtotal Other Expenditures	\$22,490,000	\$21,800,000

Grant Funded Projects	FY 2005	FY 2006
Commercial Driver's License	\$2,155,835	\$0
Motor Carriers	\$212,291	\$0
MCSIA	\$3,080,000	\$0
HAVA	\$120,349	\$0
Subtotal Other Expenditures	\$5,568,475	\$0

Total Expenditures	\$364,560,475	\$338,031,000
Total Resources	\$383,505,692	\$340,998,217
Total Expenditures	\$364,560,475	\$338,031,000
Total Surplus/Deficit	\$18,945,217	\$2,967,217



Support comes from many quarters:

The Governor and the Legislature, who continue to provide MVC with a strong foundation to continue an unquestionably massive undertaking;

MVC employees, whose collective energy is the force behind reform;

And, the Fix DMV Commission: You lit the path that MVC is now paving.

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