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NEWS RELEASE

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Whitman Issues Warning to Inspection System Operator

NJ Gov. Christie Whitman warned the operators of the state's new inspection system that she expects them to comply with the performance standards of their contract with the State of NJ and reminded them that unless they meet those standards, the state will assess and collect liquidated damages:

"The reported waiting times at DMV inspection stations are totally unacceptable," she said.

"I have made it absolutely clear to both Commissioner Weinstein and to Parsons that I want this situation corrected," Gov. Whitman said.

"We have contract provisions that include substantial penalties when the vendor fails to meet performance standards. We expect Parsons to adhere to the letter and the spirit of the performance standards and we will impose sanctions whenever those standards are unmet," she said.

"This is a new and complicated system for which both the DMV and Parsons have assured me the shake-out glitches will be resolved. I expect both the DMV and Parsons to live up to those assurances," the Governor said.

"As a part of working through the start-up problems, I have directed Commissioner Weinstein to extend the hours of operation at our inspection station beginning immediately," she added.

Under the terms of the contract with the state, Parsons is required to maintain an average waiting time at inspection facilities no longer than 30 minutes. The company is liable for damages of \$500 per day for each violation at each facility operated by Parsons. In addition to the fines, Parsons is required to do whatever is necessary to reduce the waiting times to meet the standards of the contract.