

## Office of the Governor

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### NEWS RELEASE

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#### **Governor Announces Agreement to Allow Motorists To Register "On-line"**

Gov. Christie Whitman announced today that the New Jersey Department of Transportation (NJDOT) has entered into an agreement with IBM for a project which will make it possible for New Jerseyans to renew motor vehicle registrations by telephone and over the Internet beginning next year.

State and IBM officials expect the new program to reduce wait times at the 45 motor vehicle agencies across New Jersey. There will be no cost for using the electronic services and motorists will be able to use credit cards to pay for their registration renewals.

"New Jersey motorists will soon be able to renew their car registrations from the convenience of their homes and offices," said Gov. Whitman. "This is just the latest example of how the state is using the newest technologies to better serve the public. And, we're not going to stop here. Over the next two years, we plan to make even more government services accessible on-line."

The four-year agreement is the latest in a series of public- private partnerships being considered by the NJDOT, said Transportation Commissioner James Weinstein.

"This project is a response to the public's demand for more efficient and convenient motor vehicle services. Thanks to the Public-Private Partnership Act, we can bring together the respective strengths of the public and private sectors to implement programs that benefit the public and at the same time reduce costs," Weinstein said.

According to market research and feasibility studies conducted by IBM:

Overall, 52 percent of Motor Vehicle Services customers indicated they would prefer to renew by telephone or via the Internet.

Of those customers who visited an agency, 74 percent would prefer using an alternative method -- aside from the mail -- of conducting business.

Currently, about 60 percent of the 5.9 million motor vehicle registrants in New Jersey renew by mail, while the remaining 40 percent choose to visit an agency.

"This program is an example of Motor Vehicle Services' continuing effort to improve services to our customers," said C. Richard Kamin, director of the Division of Motor Vehicles. "Electronic services will be available to New Jersey

citizens around the clock and should result in the reduction of wait times at our agencies. It's a winning proposition for all parties involved."

Rich Teitelbaum, IBM's New Jersey government client manager said, "We are thrilled to participate in this innovative public private partnership project. IBM's 'e-commerce' experience will now make it significantly easier for the citizens of New Jersey to do business with Motor Vehicle Services."

In the summer of 1997, the NJDOT advertised for request for proposals for demonstration projects authorized by the Public Private Partnership Act of 1997. The Route 80 MAGIC (Metropolitan Area Guidance Information and Control) project, which will result in the development of traffic management software, was the state's first executed public private partnership agreement.

The Electronic Service Delivery project for Motor Vehicle Services, NJDOT's second agreement, will require IBM to develop software, and provide hardware, continuous technical support and system monitoring.

Under the terms of the public private partnership agreement, IBM will be paid \$2.50 per transaction processed for the first 15 percent of the state's 5.9 million annual renewals. Above that threshold, the transaction cost will decrease to \$1.25.

For additional information about IBM's role in the project, contact Mark Nelson at (301) 803-2753.

