

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3663

STATE OF NEW JERSEY 220th LEGISLATURE

DATED: OCTOBER 4, 2022

SUMMARY

- Synopsis:** Requires MVC to operate call center to assist with online transactions.
- Type of Impact:** Annual increase in State expenditures.
- Agencies Affected:** New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual Impact</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill would increase annual expenditures for the New Jersey Motor Vehicle Commission (MVC) associated with the operation of a telephone call center to assist customers with online transactions.
- The annual cost of operating the telephone call center would vary depending on the manner in which the MVC implements the call center. Specifically, these costs will depend on the number of persons needed to operate the call center; the total hours of operation of the call center; the manner in which call center employees are employed; and the extent to which the MVC uses web-based support and recorded messages to reduce demand for the call center, as authorized by the bill.

- However, assuming that the MVC operates the telephone call center for the minimum hours required under the bill, and assuming that each call center employee earns \$20 per hour, the MVC would be responsible for the annual payment of \$41,600 in wages for each call center employee.
- The MVC is also expected to incur annual costs associated with the publication of quarterly reports that track the performance of the call center. Assuming that the MVC can satisfy these requirements using existing personnel, these expenditure increases are expected to be marginal.

BILL DESCRIPTION

The bill requires the MVC to maintain a telephone call center located within New Jersey where commission employees, or persons under contract with the commission, are available in real-time, at a minimum, during weekdays between 8:30 a.m. and 4:30 p.m., to assist individuals in navigating the commission's Internet website and processing online transactions. The MVC is required to offer all call center services in both English and Spanish. However, the bill also authorizes the MVC to provide additional web-based tutorial support and recorded help messages in order to reduce the call center's staffing needs.

The bill also requires the MVC to collect and make available on its Internet website quarterly performance metric reports. These reports are required to include, but are not limited to, information pertaining to the number of calls, the length of individual wait times, the call purpose, and the length of calls at the telephone call center.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would increase annual MVC expenditures associated with the operation of a telephone call center to assist customers with online transactions. However, because the bill provides the MVC with discretion concerning the implementation of the telephone call center, the OLS is unable to quantify the fiscal impact of the bill.

Under the bill, the MVC is required to make the telephone call center available to the public on weekdays from 8:30 a.m. to 4:30 p.m., at a minimum. However, the bill allows the MVC to staff the telephone call center using either in-house employees or third-party contractors. The bill also permits the MVC to provide additional web-based support and recorded messages in order to reduce staffing needs at the call center. Accordingly, the OLS notes that the annual cost of operating the telephone call center would vary depending on the manner in which the MVC implements the call center. Importantly, these costs will depend heavily on the number of persons needed to operate the call center; the total hours of operation of the call center; the manner in which call center employees are employed; and the extent to which the MVC uses other web-based support to reduce demand for the call center.

However, assuming that the MVC operates the telephone call center for the minimum hours required under the bill, and assuming that each call center employee earns \$20 per hour, the MVC would be responsible for the annual payment of \$41,600 in wages for each call center employee. Consequently, if 25 persons are needed to staff the telephone call center during all hours of operation, the MVC would be expected to incur approximately \$1.04 million in annual personnel costs, not including any non-wage benefits that are provided to persons directly employed by the MVC.

In addition, the MVC is also expected to incur annual costs associated with the publication of quarterly reports that track the performance of the telephone call center. Assuming that the MVC can satisfy these reporting requirements using existing personnel, the OLS expects these expenditure increases to be marginal in nature.

Section: Authorities, Utilities, Transportation and Communications

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).