

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 3383

STATE OF NEW JERSEY
220th LEGISLATURE

DATED: SEPTEMBER 14, 2023

SUMMARY

- Synopsis:** Requires MVC to provide certain services electronically to certain individuals and entities.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

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

- The Office of Legislative Services (OLS) concludes that the bill would increase annual New Jersey Motor Vehicle Commission expenditures associated with establishing a digital platform that provides electronic access of certain commission information to certain professional service providers.
- Program implementation, which would include the development of safeguards to process the information request electronically, will determine the size of the commission’s expenditures. Notably, the OLS anticipates that the commission would be able to use existing staff and resources to oversee the new process.
- The OLS anticipates an annual State revenue increase attributable to the fee collections charged to certain service providers for providing electronic access to commission information. However, because the bill allows the commission to determine the fees that are imposed on professional services providers and the number of service providers that will take advantage of this service is unknown, the OLS is unable to quantify the fiscal impact of the bill.

BILL DESCRIPTION

This bill requires the Motor Vehicle Commission to provide electronic access to address and record search processes and other information and data maintained by the commission to attorneys, medical providers, and other similar professional service providers for a fee. Additionally, the commission would be required to establish and maintain an electronic payment system through which an attorney, medical provider, or other similar professional service provider may pay the fee to the commission to obtain the requested information.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would increase annual Motor Vehicle Commission expenditures associated with establishing a digital platform that provides electronic access of certain commission information to certain professional service providers. Additionally, the OLS anticipates annual State revenue increases associated with the fees collected for providing access of certain commission information to certain service providers.

Under the bill, the commission is required to provide electronic access to address and record search processes and other information and data maintained by the commission to professional service providers for a fee. Additionally, the commission is required to establish and maintain an electronic payment system through which certain professional service providers may pay the fee to the commission to obtain the requested information. Accordingly, the OLS notes that the commission would incur a one-time cost of establishing the landing webpage and the electronic platform for payment. However, the OLS anticipates the commission should be able to incorporate the process into the commission's existing technological framework, which may reduce this one-time cost. Additional annual expenditures for the commission will be driven by how the commission implements the program, which will include the development of safeguards to process the information requests electronically. Notably, the OLS anticipates that the commission should be able to use existing staff and resources to oversee the new process.

The OLS anticipates an annual State revenue increase attributable to the fee collections charged to certain service providers for accessing commission information electronically. However, because the bill allows the commission to determine the fees that are imposed on professional services providers and the number of service providers that will take advantage of this service is unknown, the OLS is unable to quantify the fiscal impact of the bill. Currently the commission charges fees ranging from \$5 up to \$350 depending on the product or service being provided. Also for reference, the OLS notes LexisNexis currently offers attorneys, insurance companies, and other professional service providers a data search inquiry service and charges from \$0 to \$469 per search. For purposes of illustration, the OLS assumes the commission may choose to impose a fee of \$150 per search. In this scenario, if the commission processes 500 monthly requests for driver data, it may realize revenue increases of approximately \$900,000 annually.

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.).