

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2576

STATE OF NEW JERSEY

222nd LEGISLATURE

DATED: SEPTEMBER 9, 2026

SUMMARY

Synopsis: Permits issuance of motorcycle endorsement to certain out-of-State military personnel.

Type of Impact: Annual increase in State expenditures.

Agencies Affected: New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that allowing for out-of-State military members and their qualified relations to apply for a motorcycle endorsement in the manner stipulated by this bill will cause State expenditures to increase by an indeterminate amount that will be largely concentrated in the first year.
- The New Jersey Motor Vehicle Commission will be required to develop a process through which out-of-State military members and their qualified relations can apply for a motorcycle endorsement on their driver’s licenses. This will require the dedication of staff and resources to develop the process and implement the provisions of the bill. It is unknown how many staff members or resources will be required for this process.
- The total cost of this process is indeterminate due to a lack of information regarding the total number of military personnel assigned out-of-State who hold a valid New Jersey driver’s license and would apply for the motorcycle endorsement. However, taking into account the percentage of New Jersey drivers that hold a motorcycle endorsement and the percentage of the total New Jersey population in active duty military service, the State expenditure increase would likely be modest.

BILL DESCRIPTION

This bill allows out-of-State members of the military, spouses of those members, and their dependents to receive a motorcycle endorsement for their valid New Jersey driver's license while serving in another state without returning to New Jersey to retake a written or road test or to complete another motorcycle safety course.

The bill requires the commission to issue the endorsement by mail if the person pays the fee and provides documentation of the completion of an approved Motorcycle Safety Foundation Rider Education Course. The person is also required to provide documentation of the person's assignment outside of the State.

The bill requires the person who receives the motorcycle endorsement to complete a motorcycle road test within 30 days of returning to New Jersey upon demobilization or return from duty or returning to the person's New Jersey residence on a permanent, full-time basis.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill will result in an increase in expenditures to the commission associated with the design and implementation of a new process through which out-of-State military personnel who currently hold a New Jersey driver's license can apply for a motorcycle endorsement.

The commission will require an unknown amount of staff time and resources to update the endorsement process, make necessary changes to the commission's Internet website, and update any informational materials. The commission will also need to develop a process to verify that the rider education course taken by the applicant is approved by the Motorcycle Safety Foundation. By utilizing a recognized national standard in rider education courses, that expense should be limited to processing the applications rather than investigating the quality of the curriculum used by the courses. Additionally, the commission will need to verify that the applicant is a member of the military, or qualified relation of the member serving outside of New Jersey, by examining any documentation that is submitted as part of the application process.

In addition to the challenges associated with identifying the scope of staff and resources required to establish this process for providing motorcycle endorsements, it is also unclear how many military personnel on assignment out-of-State, who maintain a valid New Jersey driver's license, will apply for a motorcycle endorsement under this process. However, it can be estimated that the additional burden will be modest when taking into account the small percentage of licensed New Jersey drivers who hold a motorcycle endorsement.

Based on data released by the commission, it was reported in 2024 that there are 6.7 million licensed drivers in the State. Data is unavailable on the number of licensed drivers who hold a motorcycle endorsement in the State. For the purpose of this analysis, the OLS assumes that there are 350,000 active motorcycle endorsements in the State. That accounts for approximately five percent of all licensed drivers in New Jersey. As of August 31, 2024, 11,349 active duty military members were from New Jersey. Assuming that every active duty military member from New Jersey is serving out-of-State and holds a valid New Jersey driver's license, at five percent, the

pool of likely motorcycle riders would amount to 568 active military members. Utilizing this information, it can be assumed that the commission will most likely receive a modest number of applications for endorsements through this process. Applications would likely be able to be processed on a case-by-case basis and would be unlikely to generate a large burden or backlog. Additionally, once a motorcycle endorsement is placed on a New Jersey driver's license, it does not need to be renewed. Only the license itself must be renewed at the appropriate times. Active duty military members who are deployed get an automatic extension on their renewal dates if they were deployed at the time of their license expiration. The OLS concludes that these factors should keep increased costs to a minimum after the first year.

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.).