

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4487
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: NOVEMBER 20, 2020

SUMMARY

- Synopsis:** Establishes NJMVC Virtual Check-In Pilot Program.
- Type of Impact:** One-year increase in State expenditures.
- Agencies Affected:** New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>
State Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the New Jersey Motor Vehicle Commission (MVC) will incur indeterminate increased costs in the first year after the bill’s effective date to create the mobile application for the virtual check-in pilot program. The MVC may also incur additional costs in updating the MVC website to accommodate the inclusion of the virtual queue system.
- The MVC may also incur additional costs for acquisition of tablets and kiosk display stands or for additional security personnel and personal protective equipment that may be required for staff as a part of the new check-in process established under the bill.

BILL DESCRIPTION

This bill requires the MVC to establish a one-year virtual check-in pilot program.

Under the bill, the pilot program is required to allow a customer visiting an MVC agency to: (1) reserve a spot in the queue through the commission’s website without being physically present at the agency; (2) advance in the queue without being physically present at the agency; and (3) check-in remotely from the parking lot of the agency by using a mobile application to claim the customer’s spot in the queue, or check-in in-person at the agency by using a kiosk or tablet, or by speaking with a commission employee.

The customer is to have four hours or less, as determined by the commission, from the time the customer reserves a virtual spot in the queue to check-in remotely from the agency's parking lot or in-person at the agency. The commission is required to allow a customer who is physically present in the agency's parking lot, but who has not reserved a virtual spot in the queue on the commission's website, to check-in remotely and reserve a spot in the queue from the agency's parking lot by using a mobile application. After the customer checks-in remotely or checks-in in-person, the commission is required to either notify the customer electronically when the customer may enter the agency to complete the requested transaction, or send a commission employee to the customer waiting outside of the agency to ensure that the customer has the required documentation to complete the requested transaction and to notify the customer when the customer may enter the agency to complete the requested transaction.

Under the bill, the commission is required to develop and maintain a mobile application that allows customers to check-in remotely when physically present in the parking lot of the agency. The mobile application is to be available in English and Spanish. The commission may enter into or modify an agreement with a third party to develop and maintain the mobile application.

The chief administrator of the commission is required to select at least six commission agencies to participate in the pilot program and is to expand the pilot program to four additional commission agencies by the 180th day preceding the completion of the one-year pilot program. The chief administrator is to decide whether to continue the pilot program within 150 days after the completion of the pilot program and is required to prepare and submit a report to the Governor and Legislature within 180 days after the completion of the pilot program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will result in an indeterminate increase in State expenditures in the first year after the bill's effective date. It is unclear whether the State will incur additional costs after the conclusion of the pilot program because the chief administrator has discretion to decide whether to continue the program after completion.

Under the bill, the MVC is required to oversee the creation of two Internet-based systems that are designed to work in tandem: 1) the virtual queue system that allows a customer to reserve a spot and advance in the queue without being physically present at an MVC agency, which is to be established through the MVC website; and 2) the virtual check-in system that allows customers to check in remotely when physically present in the parking lot of the agency, which is to be established as a mobile application.

In response to the COVID-19 public health emergency, the MVC announced the introduction of a text notification system. The text notification system would allow customers to reserve a spot in the queue at an MVC agency, leave the MVC agency if the customer chooses, and then receive a text notification from the MVC instructing the customer when it is the customer's time to return to the MVC agency for service. Additionally, the MVC is notifying customers via the MVC website when each MVC agency has reached capacity and customers can no longer reserve spots for service at a specific MVC agency. The MVC has not provided any information on the cost of

the text notification system, the entity that it contracted with to create the text notification system, or the success of the text notification system and likelihood for continuation beyond the COVID-19 public health emergency. The bill is structured in a way that would permit the MVC to amend or expand that contract to provide the additional functionality required of the virtual check-in system under this bill.

The MVC can potentially expand upon the newly created text notification system by allowing customers to reserve spots online, instead of physically signing-up at the MVC agency; and by allowing a customer to also notify the MVC when the customer has arrived at the agency, instead of the customer simply receiving a text notification about when to return to the MVC agency for service. The MVC will likely incur additional costs to make these updates to the text notification system. However, without further details about the existing contract, it is unclear how much it will cost the MVC to renegotiate the contract with the entity that created the text notification system to create these additional features or how many of the additional functions can be completed by using existing State resources.

The bill also requires the MVC to permit customers who are unable to check-in remotely to check-in in-person at an MVC agency using a kiosk, tablet, or by speaking with an MVC employee. The bill provides discretion to the chief administrator as to how the MVC will handle those customers who are unable to remotely check-in once at an MVC agency. The MVC will likely incur additional costs in the acquisition of tablets and kiosk display stands. As a result of the COVID-19 public health emergency, an additional factor that agencies must consider is the new risk that customer interaction imposes on staff. The check-in option that poses the greatest risk to MVC employees is the option to physically send MVC employees to customer vehicles to check-in a customer who cannot do so remotely. If the MVC considers this option, the MVC will likely incur additional costs for additional security personnel and personal protective equipment for employees as a part of the new check-in process.

The MVC may also face limited costs in developing a report at the end of the pilot program; however, those costs are likely to be limited to staff time to compile statistics about the performance of the pilot program and to document the chief administrator's rationale in choosing to either continue or discontinue the pilot program.

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.).