

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 1994
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JANUARY 14, 2022

SUMMARY

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

Type of Impact: Increased State Cost.

Agencies Affected: New Jersey Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	Indeterminate/Minimal

- 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 costs to increase by an indeterminate but modest amount that will be largely concentrated in the first year.
- The Chief Administrator of the Motor Vehicle Commission (MVC) 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 licenses. This will require the dedication of staff and resources to the task of developing the process and implementing 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 potentially go through the application process. However, taking into account the relatively small percentage of New Jersey drivers that hold a motorcycle endorsement and the small percentage of the total New Jersey population in active duty military service, the additional burden can be projected as minimal.

BILL DESCRIPTION

This bill allows out-of-State members of the military, spouses of the 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 Chief Administrator of the MVC is required to issue the endorsement by mail if the person pays the fee and provides documentation of the completion of an approved Motorcycle Safety Foundation (MSF) Rider Education Course. The person is also required to provide documentation of the person's assignment outside of the State.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill will increase State costs by an indeterminate, but likely minimal, amount. The Chief Administrator of the MVC will be required to design and implement 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. This task will require an unknown amount of staff time and resources to update the endorsement process, make necessary changes to the MVC website, and update any informational materials. The MVC will also need to develop a process to verify that the rider education course taken by the applicant is approved by the MSF. 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 MVC will need to verify that the applicant is a member of the military or qualified relation of the member serving outside of New Jersey. This should be easily accomplished through an examination of 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 minimal when taking into account the small percentage of licensed New Jersey drivers who hold a motorcycle endorsement.

Based on data released by the MVC, it was reported in 2018 that of the over six million licensed drivers in the State, approximately 300,000 held motorcycle endorsements at that time. That accounts for five percent of all licensed drivers in New Jersey. As of September 30, 2021, 8,327 active duty military members were from New Jersey. Even 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 416 active military members. Utilizing this information, it can be assumed that the MVC will most likely receive a minimal number of applications for endorsements through this process. Applications should be able to be processed on a case-by-case basis and should not generate a large burden or backlog. Additionally, once a motorcycle endorsement is placed on a New Jersey 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 going forward.

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.).