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STATE OF NEW JERSEY


**Chris Christie**  
Governor

MEMORANDUM

**Kim Guadagno**  
Lt. Governor

**Raymond P. Martinez**  
Chairman and Chief Administrator

**TO:** David J. Rosen  
Legislative Budget and Finance Officer  
Office of Legislative Services

**FROM:** Raymond P. Martinez, Chief Administrator  
Motor Vehicle Commission 

**DATE:** May 15, 2013

**SUBJECT:** Request for Assembly Budget Committee

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I am providing the following information on behalf of the Motor Vehicle Commission (MVC) as requested by members of the Assembly Budget Committee at the hearing held on May 7, 2013.

Assemblyman Prieto:

*Request: Please provide to the committee a copy of the contract with Parsons, which provides for a three year renewal for the operation of State MVC inspection centers. Also, please note the conditions under which this contract can be terminated before the end of the three year renewal period, including any early termination penalties or fees which would apply.*

Response: A disk is attached that contains the contract plus amendments (700 pages) with Parsons Environment & Infrastructure Group, Inc., ("Parsons"). The termination of contract language is as follows:

- "Notwithstanding any provision or language in this contract to the contrary, the Director may terminate in the second, third or fourth year of the contract entered into as a result of the Request for Proposal for the convenience of the State, upon no less than 180 days written notice to the contractor, and the contractor shall be due the termination charge as identified in its bid response. In the fifth year of subsequent extension periods of the contract, the Director may terminate the contract entered into as a result of the Request for Proposal for the convenience of the State, upon no less than 30 days written notice to the contractor, with no termination charge due the contractor."

Assemblyman Burzichelli:

*Request: Please provide the committee with a breakdown of all funds which are provided by the MVC to the General Fund. Please include in this breakdown: (1) any fees which the MVC collects by statute for other entities; (2) funds collected for the State intended for the General fund; (3) funds which are collected by the MVC through its own fees but are statutorily intended for the General fund; and (4) funds which are collected by the MVC but are provided to the General Fund through language in the budget bill to provide budgetary relief. Also please provide a list of individual fees collected by the MVC in which the MVC does not retain any of the fees and is acting as a collecting entity for the State.*

Response: The attached chart provides revenues that are collected and/or reported for other State agencies, proportional split revenues for MVC and the General Fund as provided by the Motor Vehicle Security and Customer Service Act, and revenues that are statutorily dedicated to MVC through the Act for specific programs. In full, these revenues total \$1.15 billion. In addition, listed below is information regarding planned State Budget Contributions:

\$ 5,150,000	Department of Transportation Maintenance and Operations Program
\$ 4,800,000	Division of Revenue – Processing Fee/Paper Costs
\$ 800,000	Department of Environmental Protection: Forest Fighting Program
\$ 612,000	State Police – Drunk Driver Program
\$ 500,000	Office of Administrative Law Assessment
\$ 519,000	Division of Property Management and Construction – Capital Projects
\$ 2,500,000	Trenton Office Complex Indirect Rent Payment
\$31,388,000	Revenue Solutions FY 2011
\$10,940,000	Procurement Efficiencies from FY 2009 and FY 2010
\$10,000,000	FY 2009 Fee Increase Revenue Diversion
<u>\$ 5,000,000</u>	FY 2014 CVEF Revenue: NJ Transit
\$72,206,000	Total Contributions

Assemblywoman Watson Coleman:

*Request: Please provide the committee a summary of the age, racial, and ethnic breakdown of your organization's senior staff in policy and management positions.*

*Please provide to the committee a summary of contracts awarded to female and minority owned businesses. Please include the contract recipient, monetary size of contract, and percentage of total contract monies provided to female and minority owned businesses.*

The MVC has a total of 87 employees in the Management/Senior Staff category, which represents employees who establish broad policies, exercise overall responsibility for execution of departments, or special phases of agency operations. It is noted that the Equal Employment Opportunity Commission (EEOC) recently updated its data collection requirements to allow employees who may be of two or more races to identify themselves. The data listed below is taken from PMIS (Personnel Management Information System) – based on information provided by the employee at time of hire.

- Age:
  - 30-39 – 2
  - 40-49 – 23
  - 50-59 – 46
  - 60-69 - 15
  - 70-79 - 1
- Race: 4 of the 87 provide a primary race code description of Black (1), Hispanic (1) or Asian (3), while 1 is listed as unknown and 1 is listed as “some other” (7 total); 4 of the 87 provide a census race code (secondary) description of Black (1), Hispanic (1) or Asian (3), while 1 is listed as unknown and 2 are listed as “two or more races” (8 total).
- Ethnicity: This description does not currently populate in PMIS. It is a work in progress due to the recent changes made by the EEOC.

Regarding contracts, state agencies no longer provide a formal reporting of Minority and Woman Business Enterprises (MWBE) as once required by Executive Order #34 established during the Corzine Administration. In 2007, a lawsuit was filed against the State and as a result the Federal District Court permanently enjoined the consent decree ending this reporting practice. In looking through other available records, one contract was identified with a vendor that declared themselves eligible under this category – AJ Images. However, to date the MVC has not utilized their printing services as there are other vendors that can provide the volume quantities needed at more competitive prices. As an example, the 6 points of ID flyer is one million pieces per order to ensure adequate quantities for enclosure with mailed renewal notices and for customers visiting agencies.

Please let me know if you have any questions regarding this information.

Attachments  
RPM/CH/rmg

c: Denise L. Coyle, Deputy Chief Administrator MVC  
Richard J. Miller, Deputy Administrator MVC  
Carol Hollows, Director, Financial Management MVC

**NEW JERSEY MOTOR VEHICLE COMMISSION  
FY 2014 REVENUE PROJECTIONS**

<b>Collections for Other State Departments</b>		<b>\$ 459,835,584</b>
Department of Environmental Protection	\$ 2,522,810	
Department of Health	\$ 10,968,166	
Department of Law & Public Safety	\$ 50,530,687	
Department of Transportation	\$ 81,404,000	
Department of Treasury	\$ 311,102,521	
Special Dedicated to Cause Plates	\$ 3,307,400	
<b>MVC Base Revenues</b>		
Proportional Split Revenues: General Fund		<b>\$ 319,134,932</b>
Proportional Split & Base Revenues: MVC		<b>\$ 286,264,526</b>
Registrations	\$ 81,585,346	
Registration Add-On Fees	\$ 37,491,905	
Driver License Fees	\$ 15,584,115	
Titles	\$ 19,470,825	
Customer Service Information	\$ 14,111,551	
License Plates	\$ 336,668	
Business Licensing	\$ 998,147	
Inspections - Salvage	\$ 439,539	
Fines - MVC	\$ 8,952,519	
Fines - AOC	\$ 1,279,003	
International Registration Plan (IRP)	\$ 10,432,749	
Refunds/Returned Checks - Net	\$ (387,841)	
Motorcycle Registration	\$ 4,000,000	
CDL Permits	\$ 1,350,000	
Titles	\$ 80,000,000	
Abstracts	\$ 600,000	
Certified Abstracts	\$ 450,000	
Information Sales	\$ 9,500,000	
Driver Improvement Program	\$ 70,000	
<b>MVC Dedicated Revenues</b>		<b>\$ 92,028,263</b>
Security Surcharge - Registrations	\$ 42,862,700	
Graduated Driver License Stickers	\$ 485,000	
Driver License Photo Fee	\$ 14,306,238	
Security Responsibility Program	\$ 18,385,000	
Motorcycle Safety Education Fund	\$ 473,000	
Omnibus Safety Enforcement	\$ 48,500	
Commercial Vehicle Enforcement Fund (40%)	\$ 13,011,776	
Commercial Bus Inspection Fee	\$ 695,296	
Commercial Bus - Regulatory	\$ 71,753	
School Bus Inspections	\$ 1,594,500	
Low Speed Vehicles	\$ 5,500	
Drunk Driving Enforcement Fund - MVC Administrative	\$ 89,000	
<b>TOTAL REVENUES</b>		<b>\$ 1,157,263,305</b>