

**State of Alaska  
FY2004 Governor's Operating Budget**

**Department of Administration  
Motor Vehicles  
BRU/Component Budget Summary**

## **BRU/Component: Motor Vehicles**

**(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)**

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## **Component Mission**

To ensure driver qualification and to record vehicle and boat ownership.

(Differs from CH124, SLA 2002).

## **Component Services Provided**

- To make Alaska highways safe for the motoring public by ensuring that only qualified drivers are licensed to drive on our roadways, and by revoking and suspending driver's licenses of drunk drivers, uninsured motorists, and habitual traffic law violators.
- Provide property protection through vehicle titling; collection of motor vehicle revenues for the State; collection and return of personal property taxes to participating municipalities.
- Administer and enforce assigned programs: boat registration, emission inspection, motor voter processes, organ donor, living will, federal heavy vehicle use tax, Child Support Enforcement driver license suspension, and disabled/handicapped parking permits.
- Operate public service offices in all populated areas in the state through venues such as e-commerce, telephony, commission and non-commission agents, and other partnership strategies.

## **Component Goals and Strategies**

### **PROVIDE EXCEPTIONAL CUSTOMER SERVICE AND PROGRAM DELIVERY**

- Build on technological innovations and establish public-private partnerships to streamline and improve service delivery.
- Encourage the public to conduct a greater volume of simpler transactions via business partners and e-commerce venues such as the Internet and IVR. This allows some redirection of the work force to provide better quality service to those customers with more complex transactions who must come to a DMV office, allowing DMV to offset some increases in workload that are generated by increases in populations and the increased demands for new services and programs.
- Use new innovations in technology to deliver services and explore greater agency interoperability. Through the use of digital imaging technology provide digitized picture driver license and ID cards with expanded and faster information retrieval by law enforcement.
- Convert document processing in rural areas from delayed data entry to a real time transaction process.
- Convert DMV forms, now available on the Internet, to an interactive format. Use electronic signatures when technology becomes practical.

## **Key Component Issues for FY2003 – 2004**

- Federally mandated programs such as the Driver License Agreement, Commercial Driver License program, Driver Privacy Protection Act, National Motor Vehicle Title and Information System, Driver Record Information Verification System and Commercial Vehicle Information System Network have had and will continue to have a monetary impact.
- Electronic tools and partnerships are key to DMV customer service improvements. Additional process automation, including interfaces with other state and federal systems, cannot be done with current level staffing and funding. Partnerships with the private sector necessitate education, training, supply and auditing to ensure accountability for millions of dollars in public funds collected by these outside sources. Partner growth has outstripped the division's

support and accountability infrastructure. Existing resources for this program will be directed to infrastructure and additional resources are necessary. The program will not be expanded until the infrastructure is adequate.

- During FY2004 DMV will continue its review of communities exempt from vehicle registration and mandatory insurance. If the number of community exemptions is reduced, DMV's service area must be extended to include those communities that are no longer exempt. If a significant number of exemptions are eliminated, additional resources will be required.

## Major Component Accomplishments in 2002

### Public / Private Partnerships:

- Driver Tests – Commercial driving schools, school districts, school bus contractors, tour companies, and trucking companies have been authorized and trained to administer the road test for drivers getting non-commercial and commercial driver licenses in 12 Alaska municipalities.
- Commercial Tests – Commercial testing in Anchorage is contracted to a private sector company. - Emission Inspection Station Registration - Emission inspection stations have been involved with registration renewal processing since March of 1995. We continue to expand this effort to more vendors.
- Dealer Titling – The Dealer Titling program allows new car dealers to issue titles, registrations, and license plates to their customers when they take delivery of the new car. Trial sites established in FY1999 to allow automobile dealerships to title used vehicles have proven successful.
- Hospitals – Additional hospital partnership (Alaska Native Hospital) to issue disabled placards to patients who qualify prior to leaving the hospital.
- Implemented MADD Victim Memorial Walls in DMV offices.
- Implemented changes to DUI laws.
- Developed and distributed Mature Driver Information, Teen Driver and DUI Consequences brochures.
- Implemented pilot Motorcycle third party tester program
- Upgraded Defensive Driver Course Standards
- Made DMV forms available for public use via the Internet. Some forms are interactive.
- Establishment of Partnership Auditing to monitor, train and evaluate effectiveness, quality and performance of individual partnerships including security, fiscal responsibilities and public satisfaction.
- Employee Intranet site with information, data resources, business and occupational licensing verification.
- Combined Juneau Driver Licensing and Juneau Field Operations for efficiencies, cross training and public availability.
- Installation of Web Cams in 4 offices in 2000, to assist with better customer distribution and customer convenience in choosing when to visit DMV. - Instituted boat re-registration online and via telephone.
- Established a direct connection for Student Loan Program to DMV database for collection of student loan debt.
- Established pilot online defensive driving program.
- Secured federal grant for on-line accident report form
- Secured federal grant for new driver license testing machines
- Began digital driver license project. Programming to be accomplished in 2003 and full implementation to be accomplished in 2004.
- Designed and issued new disabled veteran plates
- Began onsite auditing of CDL third party examiners per federal requirement.
- Implemented provisions of new vehicle dealer law increasing the bond amount for consumer protection
- In conjunction with DEC, developed a "paperless" system for emission inspection certificates.

## Statutory and Regulatory Authority

|           |  |
|-----------|--|
| AS 04     | Alcoholic Beverages                                      |
| AS 28     | Vehicle Registration and Title                           |
| AS 18     | Health, Safety and Housing                               |
| AS 21     | Insurance  |
| AS 05.25  | Boat Registration  |
| 2 AAC 70  | Boat Registration  |
| 13 AAC 08 | Driver Licensing and Safety Responsibility               |
| 13 AAC 25 | Administration and Business and Occupational Regulations |
| 13 AAC 70 | Vehicle Registration, Title and Transfer                 |

## Key Performance Measures for FY2004

**Measure:**

**When compared to the prior fiscal year, the percentage of change in the number of complaints compared to the number of transactions by location.**

Sec 20 Ch 124 SLA 2002(HB 515)

**Alaska's Target & Progress:**

For FY2001 the ratio of complaints to transactions was 1:10,554. The ratio of compliments to transactions was 1:819. For FY2002 the ratio of complaints to transactions averaged across 4 quarters was 1:7,380.

**Benchmark Comparisons:**

We currently have no benchmarks for this performance measure.

**Background and Strategies:**

The Division of Motor Vehicles will continue to provide quality and efficient services to its customers.

**Measure:**

**The average waiting time before a person receives service.**

Sec 20 Ch 124 SLA 2002(HB 515)

**Alaska's Target & Progress:**

During FY2001 the average waiting time in all DMV offices was 20.3 minutes; in FY2002 the average waiting time was 20.6 minutes.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure. However, we frequently hear anecdotally that DMV wait times in other states are generally much longer than in Alaska.

**Background and Strategies:**

The Division of Motor Vehicles will continue to work at reducing wait times to the absolute minimum that available resources allow.

**Measure:**

**The number of suspensions of drivers' licenses as compared to the number of crash participants.**

Sec 20 Ch 124 SLA 2002(HB 515)

**Alaska's Target & Progress:**

During FY2001 there were 17,905 crash reports filed with 6,158 mandatory insurance or financial responsibility driver license suspensions for a rate of 17.2%. This assumes 2 vehicles per crash with one driver per vehicle.

Using the same assumptions, this rate was 16.1% during FY2002.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

This performance measure does not provide information relative to DMV performance.

**Measure:**

**The average cost of each transaction.**

Sec 20 Ch 124 SLA 2002(HB 515)

**Alaska's Target & Progress:**

The average cost of each transaction for FY2001 and FY2002 is as follows:

|                           |       |
|---------------------------|-------|
| New/Transfer Title        | 13.85 |
| Title with Lien           | 14.21 |
| Duplicate/Corrected Title | 7.89  |

|                              |        |
|------------------------------|--------|
| Counter Registration Renewal | 8.98   |
| Mail Renewal                 | 3.86   |
| Web/IVR Renewal              | 2.75   |
| Original DL w/o Road Test    | 22.58  |
| Original DL w/CDL Test       | 122.18 |
| Original DL w/RoadTest Pass  | 55.77  |
| Original DL w/MC Test        | 44.70  |
| DL & ID Renewal              | 12.62  |
| DL & ID Duplicate            | 12.62  |
| Original ID Card             | 15.64  |

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

This performance measure does not provide information relative to DMV performance.

**Measure:**

**The percentage of transactions by private partners.**

Sec 20 Ch 124 SLA 2002(HB 515)

**Alaska's Target & Progress:**

The percentage of transactions by private partners of DMV is as follows:

|                        |        |                              |
|------------------------|--------|------------------------------|
| Titles Issued:         | FY2001 | FY2002                       |
| Partners:              | 9.7%   | 10.45%                       |
| DMV:                   | 90.3%  | 89.55%                       |
| Registrations Issued:  |        |                              |
| Partners:              | 18.0%  | 18.2% (includes IM Stations) |
| DMV:                   | 82.0%  | 81.8%                        |
| Registration Renewals: |        |                              |
| Partners:              | 24.8%  | 20.9%                        |
| DMV:                   | 75.2%  | 79.1%                        |

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Motor Vehicles will continue to work with private partners to provide the best possible service to Alaskan drivers and vehicle owners.

**Motor Vehicles**  
**Component Financial Summary**

*All dollars in thousands*

|   | <b>FY2002 Actuals</b> | <b>FY2003 Authorized</b> | <b>FY2004 Governor</b> |
|---|-----------------------|--------------------------|------------------------|
| <b>Non-Formula Program:</b>               |                       |                          |                        |
| <b>Component Expenditures:</b>            |                       |                          |                        |
| 71000 Personal Services                   | 7,149.0               | 7,499.6                  | 7,188.5                |
| 72000 Travel                              | 65.6                  | 55.4                     | 55.4                   |
| 73000 Contractual                         | 2,871.3               | 2,761.5                  | 2,113.3                |
| 74000 Supplies                            | 215.2                 | 99.1                     | 99.1                   |
| 75000 Equipment                           | 178.0                 | 35.6                     | 30.0                   |
| 76000 Land/Buildings                      | 0.0                   | 0.0                      | 0.0                    |
| 77000 Grants, Claims                      | 0.0                   | 0.0                      | 0.0                    |
| 78000 Miscellaneous                       | 0.0                   | 0.0                      | 0.0                    |
| <b>Expenditure Totals</b>                 | <b>10,479.1</b>       | <b>10,451.2</b>          | <b>9,486.3</b>         |
| <b>Funding Sources:</b>                   |                       |                          |                        |
| 1004 General Fund Receipts                | 3,709.7               | 3,877.9                  | 3,366.2                |
| 1005 General Fund/Program Receipts        | 6,281.4               | 0.0                      | 0.0                    |
| 1007 Inter-Agency Receipts                | 30.5                  | 36.0                     | 36.3                   |
| 1061 Capital Improvement Project Receipts | 56.4                  | 0.0                      | 0.0                    |
| 1156 Receipt Supported Services           | 401.1                 | 6,537.3                  | 6,083.8                |
| <b>Funding Totals</b>                     | <b>10,479.1</b>       | <b>10,451.2</b>          | <b>9,486.3</b>         |

## Motor Vehicles

### Proposed Changes in Levels of Service for FY2004

- Technology Service Expansion - In 1998 DMV started registration renewal services on the Internet and by phone allowing customers access to DMV services 24 hours a day, 7 days a week. As changes in statute permit, this will be expanded to include other services such as driver license renewals and address changes. With these improvements virtually everyone who has a telephone or Internet access will have direct access to a "virtual DMV office" that never closes. Employees who were previously processing these transactions will be redirected to reducing the waiting lines at the offices.
- Web cams will be expanded to the Juneau office.
- Smaller satellite offices in the Municipality of Anchorage may be consolidated into one central location (the new Benson Avenue location) with staff reduction from the "Efficiency" adjustment in the budget. Anchorage will have the largest staff reduction but offices in Fairbanks, Mat-su, and Kenai will also have reductions. Wait times for routine services are expected to increase.
- DMV will pursue new business partners to lessen the impact of these changes.

### Summary of Component Budget Changes

#### From FY2003 Authorized to FY2004 Governor

*All dollars in thousands*

|   | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|---|----------------------|----------------------|--------------------|--------------------|
| <b>FY2003 Authorized</b>  | <b>3,877.9</b>       | <b>0.0</b>           | <b>6,573.3</b>     | <b>10,451.2</b>    |
| <b>Adjustments which will continue current level of service:</b>                        |                      |                      |                    |                    |
| -Annualize FY2003 COLA Increase for General Government and Supervisory Bargaining Units | 0.0                  | 0.0                  | 46.8               | 46.8               |
| -Eliminate One-time Costs for Fiscal Note HB344 Digital Drivers Licenses                | 0.0                  | 0.0                  | -500.0             | -500.0             |
| -Eliminate One-time Costs for Fiscal Note HB4 Omnibus Drunk Driving Bill                | -17.6                | 0.0                  | 0.0                | -17.6              |
| -\$75 per Month Health Insurance Increase for Non-covered Staff                         | 0.8                  | 0.0                  | 0.0                | 0.8                |
| <b>Proposed budget decreases:</b>   |                      |                      |                    |                    |
| -Program Efficiencies   | -494.9               | 0.0                  | 0.0                | -494.9             |
| <b>FY2004 Governor</b>  | <b>3,366.2</b>       | <b>0.0</b>           | <b>6,120.1</b>     | <b>9,486.3</b>     |

## Motor Vehicles

### Personal Services Information

|               | Authorized Positions               |                                  | Personal Services Costs          |                  |
|---------------|------------------------------------|----------------------------------|----------------------------------|------------------|
|               | <u>FY2003</u><br><u>Authorized</u> | <u>FY2004</u><br><u>Governor</u> |                                  |                  |
| Full-time     | 150                                | 141                              | Annual Salaries                  | 5,476,917        |
| Part-time     | 15                                 | 13                               | Premium Pay                      | 0                |
| Nonpermanent  | 0                                  | 0                                | Annual Benefits                  | 2,245,042        |
|               |                                    |                                  | <i>Less 6.94% Vacancy Factor</i> | (535,941)        |
|               |                                    |                                  | Lump Sum Premium Pay             | 2,482            |
| <b>Totals</b> | <b>165</b>                         | <b>154</b>                       | <b>Total Personal Services</b>   | <b>7,188,500</b> |

### Position Classification Summary

| Job Class Title                | Anchorage | Fairbanks | Juneau    | Others    | Total      |
|--------------------------------|-----------|-----------|-----------|-----------|------------|
| Accountant III                 | 1         | 0         | 0         | 0         | 1          |
| Accounting Clerk I             | 2         | 0         | 0         | 0         | 2          |
| Accounting Clerk II            | 3         | 0         | 0         | 0         | 3          |
| Accounting Tech I              | 1         | 0         | 0         | 0         | 1          |
| Accounting Tech II             | 1         | 0         | 0         | 0         | 1          |
| Accounting Tech III            | 1         | 0         | 0         | 0         | 1          |
| Administrative Clerk III       | 3         | 0         | 3         | 0         | 6          |
| Administrative Manager IV      | 1         | 0         | 0         | 0         | 1          |
| Analyst/Programmer IV          | 4         | 0         | 0         | 0         | 4          |
| Analyst/Programmer V           | 1         | 0         | 0         | 0         | 1          |
| Dep Dir Motor Vehicles         | 1         | 0         | 0         | 0         | 1          |
| Division Director              | 1         | 0         | 0         | 0         | 1          |
| Driver Imprvmt Spec            | 3         | 0         | 0         | 0         | 3          |
| Driver Licensing Manager       | 1         | 0         | 0         | 0         | 1          |
| Driver Services Spvr           | 0         | 0         | 1         | 0         | 1          |
| Microfilm Equip Op I           | 2         | 0         | 0         | 0         | 2          |
| Motor Vehicle Cust Svc Rep I   | 34        | 10        | 7         | 10        | 61         |
| Motor Vehicle Cust Svc Rep II  | 17        | 4         | 3         | 14        | 38         |
| Motor Vehicle Cust Svc Rep III | 4         | 2         | 1         | 0         | 7          |
| Motor Vehicle Off Mgr I        | 7         | 0         | 0         | 2         | 9          |
| Motor Vehicle Off Mgr II       | 1         | 1         | 0         | 0         | 2          |
| Motor Vehicle Off Mgr III      | 1         | 0         | 0         | 0         | 1          |
| Motor Vehicle Registrar        | 1         | 0         | 0         | 0         | 1          |
| Procurement Spec I             | 1         | 0         | 0         | 0         | 1          |
| Project Asst                   | 1         | 0         | 0         | 0         | 1          |
| Records & Licensing Spvr       | 1         | 0         | 1         | 0         | 2          |
| Supply Technician II           | 1         | 0         | 0         | 0         | 1          |
| <b>Totals</b>                  | <b>95</b> | <b>17</b> | <b>16</b> | <b>26</b> | <b>154</b> |