
VIRGINIA STATE BUDGET

2009 Session

Budget Bill - HB1600 (Chapter 781)

Bill Order » Office of Transportation » Item 441

Department of Motor Vehicles

Item 441	First Year - FY2009	Second Year - FY2010
Ground Transportation Regulation (60100)	\$153,779,986 \$153,914,227	\$154,929,986 \$155,108,973
Customer Service Centers Operations (60101)	\$105,350,858 \$105,485,099	\$106,500,858 \$106,679,845
Ground Transportation Regulation and Enforcement (60103)	\$36,897,177	\$36,897,177
Motor Carrier Regulation Services (60105)	\$11,531,951	\$11,531,951
Fund Sources:		
Commonwealth Transportation	\$148,333,386 \$148,467,627	\$149,483,386 \$149,662,373
Trust and Agency	\$5,446,600	\$5,446,600

Authority: Title 46.2, Chapters 1, 2, 3, 6, 8, 10, 12, 15, 16, and 17; §§ [18.2-266](#) through [18.2-272](#); Title 58.1, Chapters 21 and 24, Code of Virginia. Title 33, Chapter 4, United States Code.

A. The Commissioner, Department of Motor Vehicles, is authorized to establish, where feasible and cost efficient, contracts with private/public partnerships with commercial operations, to provide for simplification and streamlining of service to citizens through electronic means. Provided, however, that such commercial operations shall not be entitled to compensation as established under § [46.2-205](#), Code of Virginia, but rather at rates limited to those established by the Commissioner.

B. The Department of Motor Vehicles shall work to increase the use of alternative service delivery methods. As part of its effort to shift customers to internet usage where applicable, the department shall not charge its customers for the use of credit cards for internet or other types of transactions. To mitigate the impact of the Real ID Act of 2005 on customer service centers, the Department of Motor Vehicles shall promulgate policies to direct vehicle registration renewal transactions to more efficient delivery channels pursuant to the provisions of Senate Bill 116 (2008). In addition, notwithstanding the provisions § [46.2-342](#), Code of Virginia, and in accordance with the newly released regulations governing the Real ID Act of 2005, the Department may issue driver's licenses and identification cards with photographs in color or black and white.

C. In order to provide citizens of the Commonwealth greater access to the Department of Motor Vehicles, the agency is authorized to enter into an agreement with any local constitutional officer or combination of officers to act as a license agent for the department, with the consent of the chief administrative officer of the constitutional officer's county or city, and to negotiate a separate compensation schedule for such office other than the schedule set out in § [46.2-205](#), Code of Virginia. Notwithstanding any other provision of law, any compensation due to a constitutional officer serving as a license agent shall be remitted by the department to the officer's county or city on a monthly basis, and not less than 80 percent of the sums so remitted shall be appropriated by such county or city to the office of the constitutional officer to compensate such officer for the additional work involved with processing transactions for the department. Funds appropriated to the constitutional office for such work shall not be used to supplant existing local funding for such office, nor to reduce the local share of the Compensation Board-

approved budget for such office below the level established pursuant to general law.

D. Effective July 1, 2007, the base compensation for DMV Select Agents shall be set at 4.5 percent of gross collections for the first \$500,000 and 5.0 percent of all gross collections in excess of \$500,000 made by the entity during each fiscal year. The Commissioner shall supply the agents with all necessary agency forms to provide services to the public, and shall cause to be paid all freight and postage, but shall not be responsible for any extra clerk hire or other business-related expenses or business equipment expenses occasioned by their duties.

E. 1. The Department of Motor Vehicles shall report on the effectiveness of Senate Bill 116, 2008 Session of the General Assembly, to reduce the number of vehicle registration renewals undertaken in customer service centers and the increase in the number of renewals by mail and internet as well as changes in the utilization of the multi-year renewal option. Such report shall include an enumeration of the revenues generated, by type of renewal transactions, as well as a comparison of the costs to revenue for each type of renewal transaction.

2. The report shall also include an update on the cost allocation study and a proposal to provide for full allocation of all incurred costs including the administrative and operating costs of the central office and customer services centers. The update shall compare the true costs of the Department's services to the fees, penalties and other sources of revenue available to the Department. The activities to be assessed include, but are not limited to, driver services (e.g., driver's licenses, learner's licenses, identification cards, revocation/suspension, reinstatements, information maintenance and distribution), vehicle services, motor carrier services, transportation safety services, dealer services, financial assistance to localities, and support services.

3. As part of the effort to develop performance goals and strategies, the Department shall calculate the average wait time and the related average cost per transaction conducted at each customer service center. The calculations shall be included in the report, by customer service center. The calculations shall determine the impact to DMV revenues if wait times are reduced or increased by increments of five minutes. For increased wait times, the upper limit shall be an average wait time of 45 minutes. For reduced wait times, the lower limit shall be an average wait time of 10 minutes.

4. The Department shall submit reports on the status of these efforts by December 1, 2008, and December 1, 2009, to the Governor, the Secretary of Transportation, the Chairs of the Senate Committees on Transportation and Finance, and the Chairmen of the House Committees on Transportation and Appropriations.