

# Budget Overview: Division of Motor Vehicles



Presented by <sup>1</sup>  
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# DMV Budget

Motor Vehicles	FY16 Mngmt Plan	FY17 Mngmt Plan	FY18 Governor	% Change from FY16
GF/PR	<b>16,731.1</b>	<b>16,687.9</b>	<b>16,551.4</b>	<b>-1.07%</b>
Interagency	51.3	150.9	151.2	
FED	1,500.0	0.0		
TOTAL	18,282.4	16,838.8	16,702.6	-8.6%

# DMV Business

- 18 Offices Statewide
- 154 Employees
- In Person Traffic – 518K per year
- Calls from customers – 150K per year
- Online Services – 168K per year
- Road Tests – 18K per year (50% in house)
- Computer Knowledge Tests – 10K a month with 54% failure (DMV doesn't charge for tests)
- Dealer Work – 125K titles and registrations per year
- Overall 1.5 Million Transactions a Year

Contract Services	Driver Services	Administration/IT
14 Commission Agents	Driver testing	Manage all offices
9 Business Partners (BPs) - 2 new in last 3 months	Commercial Driver License (CDL) & training	Finance & audit
479 Dealers	License suspensions, hearings	IT support
	Insurance & accident reporting	Staff training

# DMV Revenue

- DMV collected \$58 million in FY16
- DMV returned \$41 million in FY16 to the General Fund
- DMV FY18 budget: \$16.7 million
- DMV collects and distributes \$20 million on behalf of boroughs and cities that charge a motor vehicle registration tax
- Over 1.5 million transactions were processed statewide in FY16
  - DMV Offices – 74%
  - Business Partners – 15%
  - Dealers – 7%
  - Commission Agents – 3%
  - Financial Institutions – 1%

# Business Partner Improvements

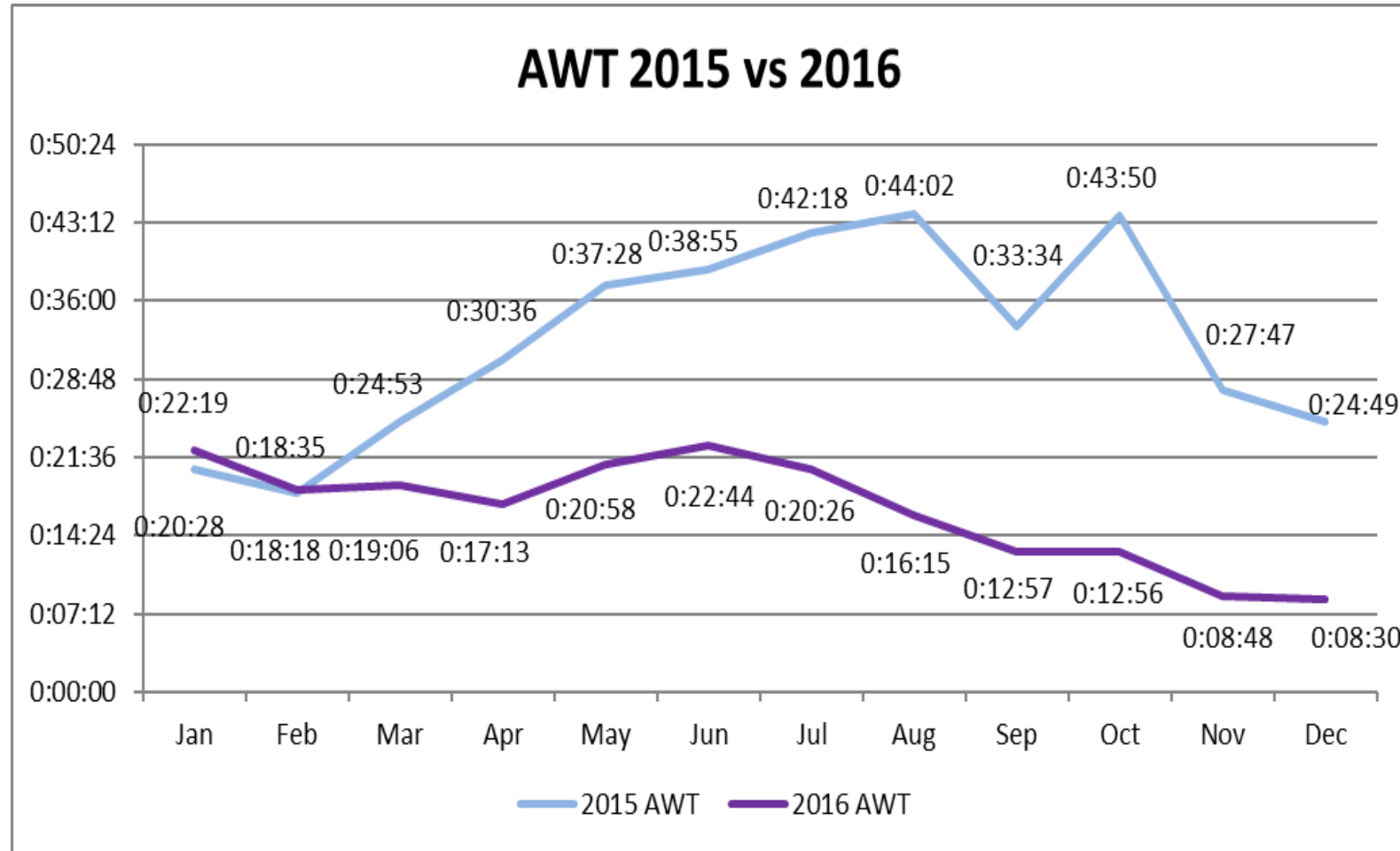
Business Partners (BP) are private businesses that do DMV work. They return money to the state and make money by charging customers for the service.

- 9 BPs with 13 locations – 2 new this year
- 15% of DMV in-person business is done by BPs
- BP will be able to process driver's licenses and ID applications by end of FY17
- DMV continually looking to increase number of BPs and is actively pursuing new contractors

# DMV Improvements: Online = No Line

- 11% of all transactions are handled online
- 3,000 more online requests from January 2016 to January 2017
- New Online Processes
  - Same Day Appointments – 3 locations – about 100 appointments a month
  - Driving record and disability tags
  - Duplicate license/ID coming March 1
  - Duplicate registration coming March 1
- Every process is being examined to update, refresh and improve to save time and increase accuracy
- Inventory Savings – Fewer printed forms = more savings
- New ALVIN- Moving to new infrastructure on our main database in December 2017

# DMV Average Wait Times (AWT)



<b>Walk in Traffic</b>	<b>2% Decrease</b>
Total 2015 Traffic	511,965
Total 2016 Traffic	503,918

# Indirect Expenditures

DMV



# Indirect Expenditures

Name	Type	Purpose	Revenue Impact	Cost to Administer	Beneficiaries	Leg Finance Recommendation
\$10 Records Request Fee Waiver for Gov't Agencies	Exemption	Courtesy	Not tracked	\$0	Fed, State, Local agencies who apply	Continue
Organ Donor Registration	N/A	N/A	N/A	N/A	N/A	Discontinued in FY14; delete from future reports
\$100 Registration Fee Waiver for Amateur Radio Users	Exemption	Public Service determined in AS.28.10.421(d)(8)	(\$4,400) annual loss	\$0	44	Continue
\$100 Registration Fee Waiver for Disabled Persons	Exemption	Public Service	(\$301,650) annual loss	\$0	3,016	Continue
\$100 Registration Fee Waiver for Disabled Veterans	Exemption	Public Service	(\$193,900) annual loss	\$0	1,939	Continue

# Indirect Expenditures

Name	Type	Purpose	Revenue Impact	Cost to Administer	Beneficiaries	Leg Finance Recommendation
\$100 Registration Fee Waiver for Gold Star Family	Exemption	Public Service	(\$200) annual loss	\$0	2	Continue
\$100 Registration Fee Reduced to \$10 for Municipal gov, charitable/ nonprofits, church groups, AK Tribal Village Councils	Discount	Courtesy	(\$498,915) annual loss	\$0	5,543	Modify - FY17 Leg Intent: increase dollars deposited into GF. A 90% reduction may no longer be desirable with 5,543 beneficiaries
\$100 Registration Fee Waiver for Pearl Harbor Survivors	Exemption	Public Service	(\$100) annual loss	\$0	1	Continue, although it is redundant to senior citizen exemption
\$100 Registration Fee Waiver for Prisoners of War	Exemption	Public Service	\$0	\$0	0	Continue
\$100 Registration Fee Waiver for Purple Heart Recipients	Exemption	Public Service	(\$32,900) annual loss	\$0	329	Continue

# Indirect Expenditures

Name	Type	Purpose	Revenue Impact	Cost to Administer	Beneficiaries	Leg Finance Recommendation
\$100 Registration Fee Waiver for Senior Citizens age 65+	Exemption	Public Service	(\$662,900) annual loss	\$0	6,629	Continue -- but recommend review of minimum age for consistency across DMV-related statutes
\$100 Registration Fee Waiver for State-Owned Vehicles	Exemption	Courtesy savings to state agencies	\$27,500 annual (no loss to state as whole)	\$0	275	Continue
Permanent Registration for 8 year old Vehicles	Exemption	Public Service	Program began 1/1/15 - Revenue loss will start 1/30/17	\$0	Unorganized Boroughs, Communities Electing Service	Continue
\$15 ID Card Fee Waiver for Senior Citizens age 60+	Exemption	Public Service	(\$207,630) annual loss	\$0	13,842	Continue -- but recommend review of minimum age for consistency across DMV-related statutes

# Questions?

For more information on Department of Administration services, priorities, or other issues, please contact:

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