

**STATE OF CALIFORNIA**  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 10/20)

<b>Fiscal Year</b> FY 2021-22	<b>Business Unit</b> 2740	<b>Department</b> Motor Vehicles	<b>Priority No.</b> 1
<b>Budget Request Name</b> 2740-031-BCP-2021-GB		<b>Program</b> 2135 Driver Licensing & Personal Identification	<b>Subprogram</b> N/A

**Budget Request Description**  
 Extension of REAL ID Resources and Operational Improvements

**Budget Request Summary**

The Department of Motor Vehicles (DMV) requests resources to continue implementation of the federally mandated REAL ID Act. The REAL ID Act requires individuals to present federally compliant Driver's License/Identification Cards (DL/IDs), or another federally accepted document, to board an airplane and enter secure federal facilities, beginning October 1, 2021. The requested resources will ensure DMV is adequately resourced to meet REAL ID demand to provide Californians with federally compliant DL/IDs by the implementation deadline.

DMV also requests resources to further improve customer service needs and other operational and information technology improvements recommended in the Office of Statewide Audits and Evaluations (OSAE) Performance Review Audit and the Government Operations Agency's DMV Reinvention Strike Team's assessment.

<b>Requires Legislation</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Code Section(s) to be Added/Amended/Repealed</b> N/A	
<b>Does this BCP contain information technology (IT) components?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	<b>Department CIO</b> Rico Rubiono	<b>Date</b> 1/6/2021

**For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.**

**Project No.** N/A **Project Approval Document:** N/A  
**Approval Date:** N/A

**If proposal affects another department, does other department concur with proposal?**  Yes  No  
*Attach comments of affected department, signed and dated by the department director or designee.*

<b>Prepared By</b> Angela Pyara	<b>Date</b> 1/7/2021	<b>Reviewed By</b> Lee Scott	<b>Date</b> 1/7/2021
<b>Department Director</b> Steve Gordon	<b>Date</b> 1/7/2021	<b>Agency Secretary</b> David S. Kim	<b>Date</b> 1/7/2021

**Department of Finance Use Only**

**Additional Review:**  Capital Outlay  ITCU  FSCU  OSAE  Dept. of Technology

<b>PPBA</b> Click or tap here to enter text.	<b>Date submitted to the Legislature</b> Click or tap to enter a date.
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## Analysis of Problem

### A. Budget Request Summary

The Department of Motor Vehicles (DMV) requests 257.7 permanent positions and \$186.3 million in Fiscal Year (FY) 2021-22, including one-time and ongoing funding, to continue implementation of the federally mandated REAL ID Act. The REAL ID Act requires individuals to present federally compliant DL/IDs, or another federally accepted document, to board an airplane and enter secure federal facilities, beginning October 1, 2021. The requested resources will ensure DMV is adequately resourced to meet REAL ID demand to provide Californians with federally compliant DL/IDs by the implementation deadline.

This proposal includes ongoing resources to fund a communication campaign and customer service improvements such as the REAL ID Automated Document Verification Project (RADVP) and a range of online chat services to improve access to DMV's services outside of the field offices. Additionally, this proposal will continue funding operational improvements such as increased management, training, kiosks, and Office of Public Affairs staffing. Lastly, the proposal includes ongoing funding for much needed IT improvements, such as a replacement of outdated and unreliable terminals, servers, circuits, and other information technology resources to support the new online services.

In the short term, the requested resources will continue funding 1,383 existing temporary positions, including temporary hires and permanent intermittent employees, overtime, and retired annuitants to address the short-term increase in workload associated with REAL ID implementation, and will assist in keeping wait times down to an acceptable level. The requested level of funding decreases over the next four years with \$186.3 million in FY 2021-22, \$105.7 million in FY 2022-23, \$86.3 million in FY 2023-24, and \$30.8 million in FY 2024-25 and \$32.0 million in 2025-26 and 257.7 ongoing permanent positions.

### B. Background/History

#### **REAL ID Requirement**

Proposed in response to the events of 9/11, the federal government set minimum standards for identity verification practices and security features that states must utilize if their DL/ID cards are to be accepted "for official purposes" such as accessing secure federal facilities and boarding federally regulated commercial aircraft. These REAL ID card standards mandate that DL/ID card applicants provide proof of identity, proof of social security number (SSN), and establish proof of residency by presenting at least two documents of the issuing state's choice that include the applicant's name and principal residence address, including a street address.

In 2005, federal law was modified pertaining to the security, authentication, issuance standards and procedures for state DL/ID cards. Prior to this, each state set its own rules and criteria regarding the issuance of a DL/ID card to include the look of the card, the data displayed, the required documents that must be provided to obtain one, and what information is stored within the state's database. Implementing the federal compliance standards set forth will ensure California's DL/ID cards are accepted for all official federal purposes. Failure to meet these standards would have a significant impact on California residents by requiring passports, passport cards, or other Department of Homeland Security (DHS) approved travel identification to enter secure federal facilities or board commercial flights.

California implemented a federally compliant DL/ID card process in January 2018. DL/ID card applicants now have the option, when applying for an original DL/ID card and renewing or applying for a duplicate DL/ID card in a DMV field office, to obtain a federally compliant DL/ID card or a federal non-compliant DL/ID card.

Pursuant to federal regulations, October 1, 2021, is the final enforcement date for REAL ID, after which non-compliant cards will not be accepted for official federal purposes.

## **Impact of REAL ID Compliance and COVID-19**

To obtain a REAL ID, customers are required to visit a field office in-person, which increases the number of field office customers above historic levels. The department has updated the projections on when customers are anticipated to visit a field office to receive a federally compliant DL/ID card, taking into account customers who have already been issued a federally compliant DL/ID card, the federal compliance date, and workload impacts due to the COVID-19 Pandemic.

Historically, California processes approximately 6.2 million DL/ID card renewals and approximately 1.4 million original DL/ID card applications annually. As of November 2020, 9,300,545 Californians possess a federally compliant DL/ID. The volume of federally compliant DL/ID cards has continued to increase each month as customers become aware of their options. DMV estimates the volume will continue to grow to 26.8 million (22.3 million current DL/ID card holders and 4.5 million new DL/ID card applicants). As the REAL ID enforcement date of October 2021 draws near, DMV anticipates completing approximately 16 million REAL ID transactions by October 2021, and completing the remaining volume of 10.8 million by the end of FY 2023-24. Based on the population of federally compliant DL/ID cardholders, DMV expects customers who initially renewed via mail or internet, received a federally non-compliant DL/ID, and do not have a current passport, to come into a field office to get a federally compliant DL/ID card.

The COVID-19 Pandemic and the current stay-at-home orders have impacted REAL ID workload as the DMV public field offices were closed on March 26, 2020. In May 2020, DMV took a staggered approach to reopening to the public, in accordance with the Center for Disease Control and Department of Public Health guidelines for social distancing and safety protocols.

In addition, to protect the health and safety of employees and customers and to minimize the need to visit a DMV office during the COVID-19 response, DMV has provided an automatic one-year extension to Californians age 70 and older with a non-commercial driver license expiring between March and December 31, 2020, and also put in place a temporary waiver to allow Californians aged 70 and older to renew their non-commercial driver's license online or by mail during the State of Emergency. An additional temporary waiver allows eligible drivers aged 69 or younger and identification card holders who were previously required to renew in person at a DMV field office to complete their renewal online. These actions are also likely to delay customers from visiting a field office to get a federally compliant DL/ID card.

### Customer Preparedness

DMV is ensuring customers are informed about their option to obtain a federally compliant DL/ID card and which documents they need to bring. Coming prepared to a DMV field office will avoid unnecessary delays or a return visit to provide the necessary documents. The following actions have been undertaken to prepare customers:

- Updated REAL ID website with an interactive document checklist.
- Proactive public outreach and education campaign to inform customers about their card options and the requirements to obtain a federally compliant DL/ID card
- Mailing insert added to all vehicle registration renewals and driver license and ID card renewals about federal compliance and the required documents needed to apply for a federally compliant DL/ID card.
- A REAL ID video is played on DMV field office message boards every 15 minutes

- Paid Digital Advertising: DMV's Office of Public Affairs developed a variety of digital advertising and worked with a vendor to distribute the material. This included geo-fencing airports to have REAL ID ads pop up on smartphones, pay-per-click to have REAL ID on the top of search engines, REAL ID ads on travel websites, direct email marketing and sponsored social media ads.

DMV has implemented numerous projects such as the Centralized Document Review and the DMV Express Experience, which has shortened the process of reviewing required documents and allows customers statewide to upload the identity, SSN, and residency documents necessary to apply for a federally compliant DL/ID card prior to arriving at the field office. When the customer arrives in the field office, they present the previously uploaded and authenticated identity, SSN, and residency documents to the field office employee for verification and complete the transaction. Applicants using DMV Express are able to drop by the field office within the same day, or at the customer's earliest convenience, without an appointment and be assisted with the appointment customers. Scanning the documents prior to the field office visit allows the department to process the federally compliant DL/ID card transaction more efficiently, which decreases the customer's time in a field office and allows the department to serve more customers within existing field offices. The DMV Express Experience was launched statewide in March 2020 and is currently being utilized by 40 percent of all customers who are issued a federally compliant DL/ID card. The department is currently piloting an in-house solution, the RADVP, to transition from the vendor-owned solution. The RADVP pilot went live on July 27, 2020 and is currently in 54 offices. The pilot is anticipated to go live in all field offices by June 2021.

### **REAL ID Workload:**

Federally compliant DL/ID card standards establish minimum issuance criteria for state-issued DL/ID cards to be an accepted identification for official federal purposes, such as entering secure federal buildings or boarding commercial aircraft. These compliance standards mandate that DL/ID card applicants provide proof of identity, proof of SSN, and establish proof of residency by presenting at least two documents of the issuing state's choice that includes their name and principal residence address, including a street address. The following assumptions are utilized in developing the REAL ID portion of this request:

- Assume approximately 22.3 million of the current DL/ID renewal customers will choose to have a federally compliant DL/ID card (includes DL/ID renewals and conversions).
- Assume that additional field office workload will result from customers who choose to have a federally compliant DL/ID card and who would otherwise use an alternative service channel (Internet, Renewal by Mail, etc.) allocated by fiscal year as follows:
  - FY 2017-18 – 20% of 3.2 million for 609,000 (6 Months - Actuals)
  - FY 2018-19 – 46% of 6.3 million for 2.9 million (12 months – Actuals)
  - FY 2019-20 – 54% of 6.3 million for 3.4 million (12 months – Actuals)
  - FY 2020-21 – 47% of 6.6 million for 3.1 million
  - FY 2021-22 – 76% of 4.2 million for 3.2 million (DL dip-year)
  - FY 2022-23 – 49% of 4.9 million for 2.4 million
  - FY 2023-24 – 35% of 4.0 million for 1.4 million

**Total Volume – 17 million**

- Assume existing DL card holders will choose to convert their existing California Driver License to a federally compliant DL/ID card; either coming in a second time for a new card or choosing to come in before or after their renewal period to convert their card.
  - FY 2020-21 – 991,000
  - FY 2021-22 – 4.3 million

**Total Conversion Volume – 5.3 million**
- Assume approximately 4.5 million of the estimated new DL/ID card applicants will choose to have a federally compliant DL/ID card, allocated by fiscal year as follows:
  - FY 2017-18 – 20% of 753,000 for 154,000 (6 months - Actuals)
  - FY 2018-19 – 44% of 1.4 million for 613,000 (12 months – Actuals)
  - FY 2019-20 – 47% of 1.0 million for 474,000 (12 months – Actuals)
  - FY 2020-21 – 52% of 1.7 million for 885,000
  - FY 2021-22 – 56% of 1.4 million for 785,000
  - FY 2022-23 – 56% of 1.4 million for 787,000
  - FY 2023-24 and ongoing – 60% of 1.3 million for 782,000

**Total Volume – 4.5 million**
- Assume that additional field office workload will result from new and existing DL/ID card customers who choose to have a federally compliant DL/ID card
- Assume each renewal customer who comes into a field office to convert to a federally compliant DL/ID card would need their SSN re-verified through the Social Security On-line Verification system at \$.05 per record.
- The additional DL/ID card production costs associated with the anticipated conversions in FY 2021-22 is approximately \$8.7 million.
- Original participation volumes were based on a survey of other state experiences, which do not mandate the issuance of a federally compliant DL/ID card. DMV previously anticipated the participation rate for a federally compliant DL/ID card to be about 75 percent. The participation rate has been revised to 60 percent based on current participation rates, the implementation period being extended due to the federal compliance enforcement date shifting to October 1, 2021, and the current stay-at-home orders due to the COVID-19 Pandemic.
- DMV estimates approximately 40 percent of the DL/ID card population will not request a federally compliant DL/ID card. Approximately 40 percent of the population currently has a passport/passport card. DMV assumes a percentage of the DL/ID population that has a passport/passport card or does not regularly fly, will not have an immediate need for a REAL ID card, or will be ineligible (AB 60 customers).

**DL/ID Workload History**

<b>Workload Measure</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>DL/ID Originals (FO)</b>	<b>1,461,441</b>	<b>1,491,243</b>	<b>1,336,746</b>	<b>1,301,496</b>	<b>1,384,485</b>	<b>1,040,731</b>
Field Office (FO) Renewal	3,799,731	3,931,480	2,867,362	3,845,266	4,168,356	3,527,450
Mail/Remittance Renewal	1,385,880	1,209,335	736,747	1,253,915	891,322	681,863
Internet Renewal	1,100,512	1,083,432	890,701	1,077,265	1,105,128	1,171,439
Interactive Voice Response (IVR) Renewal	69,981	0	0	0	0	0
<b>Total DL/ID Renewals</b>	<b>6,356,104</b>	<b>6,224,247</b>	<b>4,494,810</b>	<b>6,176,446</b>	<b>6,164,806</b>	<b>5,380,752</b>
<b>Total DL/ID</b>	<b>7,817,545</b>	<b>7,715,490</b>	<b>5,831,556</b>	<b>7,477,942</b>	<b>7,549,291</b>	<b>6,421,483</b>

**Note:** Volumes include both Commercial and Non-Commercial Driver Licenses (excludes AB 60 DL's). The volumes for FY 2017-18 through FY 2019-20 include both REAL ID and federally non-compliant DL/ID's.

## Workload History - REAL ID Cards Produced by Month

	COMPLIANT			NON-COMPLIANT			TOTAL DL/ID	% COMPLIANT		
	DL	ID	TOTAL	DL	ID	TOTAL		DL	ID	TOTAL
January 2018 (22-31)	29,725	9,971	<b>39,696</b>	205,823	45,426	<b>251,249</b>	<b>290,945</b>	12.6%	18.0%	<b>13.6%</b>
February 2018	74,020	24,798	<b>98,818</b>	498,284	102,984	<b>601,268</b>	<b>700,086</b>	12.9%	19.4%	<b>14.1%</b>
March 2018	111,296	33,216	<b>144,512</b>	543,280	109,255	<b>652,535</b>	<b>797,047</b>	17.0%	23.3%	<b>18.1%</b>
April 2018	121,715	31,049	<b>152,764</b>	476,314	93,661	<b>569,975</b>	<b>722,739</b>	20.4%	24.9%	<b>21.1%</b>
May 2018	141,704	30,160	<b>171,864</b>	483,399	89,520	<b>572,919</b>	<b>744,783</b>	22.7%	25.2%	<b>23.1%</b>
June 2018	147,536	41,147	<b>188,683</b>	464,538	88,930	<b>553,468</b>	<b>742,151</b>	24.1%	31.6%	<b>25.4%</b>
July 2018	171,051	43,491	<b>214,542</b>	473,450	90,041	<b>563,491</b>	<b>778,033</b>	26.5%	32.6%	<b>27.6%</b>
August 2018	228,165	46,279	<b>274,444</b>	516,521	103,929	<b>620,450</b>	<b>894,894</b>	30.6%	30.8%	<b>30.7%</b>
September 2018	219,054	34,315	<b>253,369</b>	453,866	93,975	<b>547,841</b>	<b>801,210</b>	32.6%	26.7%	<b>31.6%</b>
October 2018	291,720	44,091	<b>335,811</b>	559,184	109,507	<b>668,691</b>	<b>1,004,502</b>	34.3%	28.7%	<b>33.4%</b>
November 2018	244,166	35,383	<b>279,549</b>	402,515	84,032	<b>486,547</b>	<b>766,096</b>	37.8%	29.6%	<b>36.5%</b>
December 2018	264,106	34,071	<b>298,177</b>	372,205	78,245	<b>450,450</b>	<b>748,627</b>	41.5%	30.3%	<b>39.8%</b>
<b>2018 Total</b>	<b>2,044,258</b>	<b>407,971</b>	<b>2,452,229</b>	<b>5,449,379</b>	<b>1,089,505</b>	<b>6,538,884</b>	<b>8,991,113</b>	<b>27.3%</b>	<b>27.2%</b>	<b>27.3%</b>
January 2019	293,666	45,793	<b>339,459</b>	387,686	88,291	<b>475,977</b>	<b>815,436</b>	43.1%	34.2%	<b>41.6%</b>
February 2019	258,062	56,973	<b>315,035</b>	501,193	121,662	<b>622,855</b>	<b>937,890</b>	34.0%	31.9%	<b>33.6%</b>
March 2019	331,960	49,236	<b>381,196</b>	494,019	104,865	<b>598,884</b>	<b>980,080</b>	40.2%	32.0%	<b>38.9%</b>
April 2019	325,818	49,645	<b>375,463</b>	442,096	96,052	<b>538,148</b>	<b>913,611</b>	42.4%	34.1%	<b>41.1%</b>
May 2019	335,169	38,291	<b>373,460</b>	472,898	109,983	<b>582,881</b>	<b>956,341</b>	41.5%	25.8%	<b>39.1%</b>
June 2019	315,967	43,267	<b>359,234</b>	444,684	102,072	<b>546,756</b>	<b>905,990</b>	41.5%	29.8%	<b>39.7%</b>
July 2019	369,958	51,591	<b>421,549</b>	462,261	114,688	<b>576,949</b>	<b>998,498</b>	44.5%	31.0%	<b>42.2%</b>
August 2019	388,659	47,776	<b>436,435</b>	446,369	110,805	<b>557,174</b>	<b>993,609</b>	46.5%	30.1%	<b>43.9%</b>
September 2019	357,303	38,260	<b>395,563</b>	413,437	96,780	<b>510,217</b>	<b>905,780</b>	46.4%	28.3%	<b>43.7%</b>
October 2019	422,739	44,875	<b>467,614</b>	419,146	97,220	<b>516,366</b>	<b>983,980</b>	50.2%	31.6%	<b>47.5%</b>
November 2019	387,462	41,007	<b>428,469</b>	390,312	95,218	<b>485,530</b>	<b>913,999</b>	49.8%	30.1%	<b>46.9%</b>
December 2019	442,018	43,127	<b>485,145</b>	362,642	83,743	<b>446,385</b>	<b>931,530</b>	54.9%	34.0%	<b>52.1%</b>
<b>2019 Total</b>	<b>4,228,781</b>	<b>549,841</b>	<b>4,778,622</b>	<b>5,236,743</b>	<b>1,221,379</b>	<b>6,458,122</b>	<b>11,236,744</b>	<b>44.7%</b>	<b>31.0%</b>	<b>42.5%</b>
January 2020	480,563	55,935	<b>536,498</b>	373,183	96,021	<b>469,204</b>	<b>1,005,702</b>	56.3%	36.8%	<b>53.3%</b>
February 2020	464,094	55,119	<b>519,213</b>	316,511	86,597	<b>403,108</b>	<b>922,321</b>	59.5%	38.9%	<b>56.3%</b>
March 2020	348,858	36,647	<b>385,505</b>	262,168	59,735	<b>321,903</b>	<b>707,408</b>	57.1%	38.0%	<b>54.5%</b>
April 2020	36,523	1,112	<b>37,635</b>	253,037	18,767	<b>271,804</b>	<b>309,439</b>	12.6%	5.6%	<b>12.2%</b>
May 2020	80,997	4,164	<b>85,161</b>	252,776	24,120	<b>276,896</b>	<b>362,057</b>	24.3%	14.7%	<b>23.5%</b>
June 2020	223,703	20,026	<b>243,729</b>	377,653	51,666	<b>429,319</b>	<b>673,048</b>	37.2%	27.9%	<b>36.2%</b>
July 2020	324,154	30,242	<b>354,396</b>	432,751	70,013	<b>502,764</b>	<b>857,160</b>	42.8%	30.2%	<b>41.3%</b>
August 2020	288,107	27,735	<b>315,842</b>	436,561	69,126	<b>505,687</b>	<b>821,529</b>	39.8%	28.6%	<b>38.4%</b>
September 2020	268,798	30,246	<b>299,044</b>	441,064	76,986	<b>518,050</b>	<b>817,094</b>	37.9%	28.2%	<b>36.6%</b>
October 2020	273,532	33,578	<b>307,110</b>	447,206	85,634	<b>532,840</b>	<b>839,950</b>	38.0%	28.2%	<b>36.6%</b>
November 2020	217,483	25,626	<b>243,109</b>	358,200	69,705	<b>427,905</b>	<b>671,014</b>	37.8%	26.9%	<b>36.2%</b>
<b>GRAND TOTALS</b>	<b>9,279,851</b>	<b>1,278,242</b>	<b>10,558,093</b>	<b>14,637,232</b>	<b>3,019,254</b>	<b>17,656,486</b>	<b>28,214,579</b>	<b>38.8%</b>	<b>29.7%</b>	<b>37.4%</b>

**Note:** Volume of cards produced includes renewals and duplicates. Unique REAL ID cardholders as of November 2020 is over 9.3 million.

### **OSAE Performance Audit and DMV Reinvention Strike Team Assessment**

In response to several complaints about long wait times and DMV customer experience in the summer 2018, the Brown Administration ordered the Office of Statewide Audits and Evaluations (OSAE) to conduct a performance audit of the DMV to assess its efficiency and effectiveness of operations and to make recommendations to improve its practices and enhance field office customer experience. In addition, the audit evaluated DMV's information technology systems and their impact on field office customer experience. The audit identified several opportunities for improvement and made several recommendations for DMV to improve its operations and customer experience. A copy of this audit report is available on the OSAE website: <https://esd.dof.ca.gov/reports/reportPdf/C87E0788-C250-E911-9105->

In January 2019, the Newsom Administration created a DMV Reinvention Strike Team, which made several recommendations for new long-term leadership and reform at DMV - with an emphasis on transparency, worker performance, speed of service and overall consumer satisfaction. The Strike Team report is available on the California Government Operations Agency website: <https://www.govops.ca.gov/wp-content/uploads/sites/11/2019/07/DMV-Strike-Team-FINAL-Report.pdf>

In FY 2019-20, DMV received resources for operational improvements, which included temporary funding for two years to address Real ID implementation needs. A copy of this proposal is available on the Department of Finance's website at [https://esd.dof.ca.gov/Documents/bcp/1920/FY1920\\_ORG2740\\_BCP3093.pdf](https://esd.dof.ca.gov/Documents/bcp/1920/FY1920_ORG2740_BCP3093.pdf). The FY 2019-20 proposal also provided funding for operational enhancements in response to the OSAE Performance Review Audit and the Government Operations Agency's DMV Reinvention Strike Team's Assessment. The DMV continues to implement department-wide improvements to enhance customer service and support operational improvements already deployed. This proposal requests continuing resources to support these ongoing improvement efforts.

### **C. State Level Consideration**

This request addresses the department's strategic goals to "Deliver simpler, faster ways to fulfill customer needs through expanded digital services" and "Foster the workforce and culture of innovation to make DMV a leader in talent attraction and retention." Based on the deficiencies identified by the Strike Team and OSAE Performance Audit, as well as the projected increase in customers that will apply for a federally compliant DL/ID card, the department has identified the need for continuing resources to ensure that our customers' needs are met.

## D. Justification

Beginning January 22, 2018, Californians were provided an option to apply for either a federally compliant DL/ID card that will meet national standards or a federal non-compliant DL/ID card.

### Limited Term Staffing for Additional REAL ID Driven Field Office Workload

The department anticipates that about 60 percent of current DL/ID card holders and new applicants will choose to have a federally compliant DL/ID card (Originals – 4.5 million and Renewal/Conversion – 22.3 million). This workload will result in additional field office resources for up to 1,383.1 temporary positions in FY 2021-22, 634.6 temporary positions in FY 2022-23, 490.5 temporary positions in FY 2023-24, and 12.7 positions in FY 2024-25 and ongoing for originals.

The tasks and time values associated with that additional field office work is as follows:

Workload Tasks		Time Value (min)
<b>Driver License (DL)/Identification (ID) Card Originals</b>		
a.	Assume that an MVR will be required to review and scan an SSN card (possibly W2 or 1099) (2 minutes) <b>DMV Express (1 minute):</b> Assume 40% of customers will upload documents prior to visiting the field office reducing processing time by one (1) minute	2/1
b.	Assume that 100% of original DL/ID customers are requiring additional talk time at the start here window (to ensure they have the proper documents, explain what is needed and/or make return appointments if necessary). 3 minutes for all DL/ID customers and 2 minutes for return visits.	3/2
<b>Driver License (DL)/Identification (ID) Card Renewals</b>		
a.	<b>DL Renewals - Customers Eligible to Renew Online or by Mail</b> (11 minutes): Assume that an MVR will process a DL transaction and perform a vision test, review and scan a SSN card, residency, and identity documents, and take photo. <b>DMV Express (7 minutes):</b> Assume 40% of customers will upload documents prior to visiting the field office reducing processing time by 4 minutes <b>Additional Verification (14 minutes):</b> Assume 10% will require additional verification of residency and identity documents in the field office and will require an additional 3 minutes	11/7/14
b.	<b>ID Renewals - Customers Eligible to Renew Online or by Mail</b> (10 minutes): Assume that an MVR will process an ID transaction, review and scan a SSN card, residency, and identity documents, and take photo. <b>DMV Express (6 minutes):</b> Assume 40% of customers will upload documents prior to visiting the field office reducing processing time by 4 minutes <b>Additional Verification (13 minutes):</b> Assume 10% will require additional verification of residency and identity documents in the field office and will require an additional 3 minutes	10/6/13
c.	<b>DL/ID Renewals required to go to the field office</b> (8 minutes): Assume that an MVR will review and scan an SSN card, residency, and identity documents.	8
d.	Assume that 100% of renewal DL/ID customers are requiring additional talk time at the start here window (to ensure they have the proper documents, explain what is needed and/or make return appointments if necessary). 3 minutes for all DL/ID customers and 2 minutes for return visits.	3/2
<b>Additional Visits (20% of all REAL ID customers)</b>		
a.	<b>Additional field office visits (8 minutes):</b> Assume that 20% of opt-in customers (originals/renewals) will require an additional visit to the field office to complete the transaction.	8

## Field Office Volumes and Positions by Task and Transaction Type

Time (min)		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 & Ongoing
<b>Driver License/ID Card Originals:</b>						
	Volume - DL	609,817	613,151	616,502	616,502	616,502
	Volume - ID	174,777	174,158	165,451	165,451	165,451
	<b>Total</b>	<b>784,594</b>	<b>787,309</b>	<b>781,953</b>	<b>781,953</b>	<b>781,953</b>
2/1	Positions - DL	9.1	9.2	9.2	9.2	9.2
2/1	Positions - ID	2.6	2.6	2.5	2.5	2.5
	<b>Positions</b>	<b>11.8</b>	<b>11.8</b>	<b>11.7</b>	<b>11.7</b>	<b>11.7</b>
<b>DL/ID Card Renewals (Alternative Channel Customers) &amp; Conversions:</b>						
	Volume - DL	1,299,125	632,656	441,810	-	-
	Volume - ID	85,542	53,231	38,701	-	-
	Conversion DL	4,283,871	-	-	-	-
	<b>Total</b>	<b>5,668,538</b>	<b>685,887</b>	<b>480,511</b>	<b>-</b>	<b>-</b>
11/7/14	Positions - DL	507.6	57.5	40.2	-	-
10/6/13	Positions - ID	7.0	4.8	3.5	-	-
	<b>Positions</b>	<b>514.6</b>	<b>62.4</b>	<b>43.7</b>	<b>-</b>	<b>-</b>
<b>DL/ID Card Renewals (Required to go to Field Office):</b>						
	Volume - DL	1,519,187	1,516,329	720,756	-	-
	Volume - ID	269,648	227,749	167,302	-	-
	<b>Total</b>	<b>1,788,835</b>	<b>1,744,078</b>	<b>888,058</b>	<b>-</b>	<b>-</b>
8	Positions - DL	113.9	113.7	54.0	-	-
8	Positions - ID	20.2	17.1	12.5	-	-
	<b>Positions</b>	<b>134.1</b>	<b>130.8</b>	<b>66.6</b>	<b>-</b>	<b>-</b>
<b>Assume 2/3 of Field Offices will require 2 PYs to triage the customers in line prior to start here</b>						
	Volume					
	<b>Positions</b>	<b>230.0</b>	<b>230.0</b>	<b>230.0</b>	<b>-</b>	<b>-</b>
<b>Return Visits - 20% of all DL/ID customers who opt into Real ID will require a subsequent visit to complete transactions</b>						
8	Volume	1,648,393	643,455	430,104	-	-
	<b>Positions</b>	<b>123.6</b>	<b>48.3</b>	<b>32.3</b>	<b>-</b>	<b>-</b>
<b>Start Here Talk Time - 100% of all DL/ID customers in FO (3 min for all customers &amp; 2 minutes for return visits):</b>						
2	Volume of returns	1,648,393	643,455	430,104	-	-
3	Volume of all customers	8,241,967	3,217,274	2,150,522	-	-
	<b>Positions</b>	<b>262.7</b>	<b>102.5</b>	<b>68.5</b>	<b>-</b>	<b>-</b>
<b>Subtotal MVR Positions</b>		<b>1,276.8</b>	<b>585.8</b>	<b>452.8</b>	<b>11.7</b>	<b>11.7</b>
	MGR1 Overhead PY's	106.4	48.8	37.7	1.0	1.0
	<b>Total REAL ID MVR/MGR I PY's:</b>	<b>1,383.2</b>	<b>634.6</b>	<b>490.5</b>	<b>12.7</b>	<b>12.7</b>
	FOD HQ Staff	4.0	4.0	4.0	4.0	4.0
	HRB Staff	6.0	5.0	5.0	2.0	2.0
	DLPC Staff	60.0	60.0	60.0	89.0	89.0
	US Pass	3.0	3.0	3.0	3.0	3.0
	Regional AGPA's	8.0	8.0	8.0	8.0	8.0
	Regional Program Managers	32.0	32.0	32.0	32.0	32.0
	Online Duplicate Savings	(24.0)	(24.0)	(24.0)	(24.0)	(24.0)
	Departmental Training Officers	9.0	6.0	6.0	6.0	6.0
	Office of Public Affairs	3.0	3.0	3.0	3.0	3.0
	Live Chat Staff	89.0	89.0	89.0	89.0	89.0
	RADVP	34.0	30.0	30.0	30.0	24.0
	Medical Management Unit	9.0	9.0	9.0	9.0	9.0
	<b>Total Positions:</b>	<b>1,616.2</b>	<b>859.6</b>	<b>715.5</b>	<b>263.7</b>	<b>257.7</b>

Continuing Resources for DLPC Leases and Swing Space & Overhead Staffing

DMV requests continuing funding for the Driver's License Processing Centers (DLPCs). It is imperative to continue services at these DLPCs to assist with processing the anticipated influx of REAL ID customers.

The request includes 60.0 positions for overhead staff in FY 2021-22 through FY 2023-24 to staff the DLPCs and Fontana Field Office to meet the anticipated REAL ID demand at these facilities. The San Jose DLPC staff are requested ongoing to support the high workload volumes of approximately 150,000 annual transactions. To staff the San Jose DLPC permanent ongoing resources beginning in FY 2024-25 is requested to make permanent all temporary REAL ID positions deployed to that office, totaling 89.0 positions. Full year costs for three leased facility DLPCs (San Jose, Pacoima, Anaheim) and the Fontana state-owned Field Office, are approximately \$3.5 million per year through the REAL ID implementation period ending in June 2024.

**Position Request by Field Office**

<b>Field Office</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25 &amp; Ongoing</b>
Pomona DLPC	17.0	17.0	17.0	
Anaheim DLPC	19.0	19.0	19.0	
Fontana Field Office	6.0	6.0	6.0	
San Jose DLPC (ongoing)	18.0	18.0	18.0	89.0
<b>Total Requested Positions</b>	<b>60.0</b>	<b>60.0</b>	<b>60.0</b>	<b>89.0</b>

**Position Request by Classification**

<b>Classification</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25 &amp; Ongoing</b>
Control Cashier I	2.0	2.0	2.0	1.0
Control Cashier II	2.0	2.0	2.0	
Manager I	11.0	11.0	11.0	4.0
Manager II	2.0	2.0	2.0	1.0
Manager III	2.0	2.0	2.0	
Manager IV	2.0	2.0	2.0	
Manager V	3.0	3.0	3.0	1.0
Motor Vehicle Representative	29.0	29.0	29.0	80
Senior Motor Vehicle Representative	7.0	7.0	7.0	2.0
<b>Total Requested Positions</b>	<b>60.0</b>	<b>60.0</b>	<b>60.0</b>	<b>89.0</b>

FOD HQ Support Staff

DMV requests continuing funding for four permanent positions recommended by the Government Operations Agency Strike Team and \$536,000 in FY 2021-22 and \$515,000 in FY 2022-23 and ongoing to support the additional workload and staffing levels in the Field Operations Division (FOD). The Report Analyst is a dedicated resource to create and report on a variety of data and review data statistics for recommendations to allow the department the ability to achieve greater efficiencies and implement strategies statewide. The Human Resources (HR) Liaison position allows the department to continue to assign two regions to each liaison and provides the required resources to assist the regions with the significant workload associated with maintaining staffing levels in DMV field offices statewide without the need for overtime, and ensures that paperwork is processed in a timely manner. Without the additional HR liaison position, three regions would be assigned to each existing HR liaison which would be detrimental to the field office hiring process. The Inventory Control analyst will continue to audit and reconcile physical inventories against existing databases, drafts policies and procedures so that all regions maintain consistency as well as maintain updated schedules for inventories of all facilities. The Database Analyst provides database expertise to

the division and has developed various dynamic databases to streamline and reduce duplication of efforts and human errors statewide.

<b>Workload</b>	<b>Classification</b>	<b>Requested Positions</b>
Report Analyst	Research Data Specialist I	1.0
HR Liaison	Associate Governmental Program Analyst	1.0
Inventory Control Analyst	Associate Governmental Program Analyst	1.0
Database Analyst	Information Technology Specialist I	1.0
<b>Total Requested Positions</b>		<b>4.0</b>

### Health and Safety

Due to the implementation of REAL ID, DMV has experienced an increased volume of customers serviced daily. As a result, DMV is looking to re-implement Saturday services in Spring 2021 at 62 locations and has contracted for mid-day janitorial services at 81 field offices. This solution allows for the maintenance and upkeep of the facilities.

Saturday service allows customers the flexibility to visit a field office outside the normal workweek. In addition, DMV anticipates re-implementing extended field office hours in Spring 2021 which provides customers with the additional flexibility to visit a field office outside normal work hours. The department requests additional overtime, security guards, and janitorial costs associated with the increased volume of customers, continuing Saturday service in 62 field offices every Saturday and providing extended field office hours in 69 of the 171 field offices. These additional services will be available to customers through the REAL ID implementation period ending in June 2024.

- Assume Saturday service is offered, and extended field office hours are one hour earlier per day from 7:00 a.m. to 8:00 a.m. (Monday – Friday excluding Wednesday)
  - Assume overtime will be required for Saturday service and extended field office hours
    - \$8.2 million in overtime costs per year for Field Office Staff
    - \$965,000 for Headquarters Overtime to support the Saturday service offices
- Assume two security guards per office (hourly rate is \$46.87)
- Assume increased janitorial costs of \$975 per month per field office
  - Additional security, janitorial, and utility costs of \$6.2 million in FY 2021-22 through FY 2023-24 is requested for 52 Saturdays per year in 62 offices
- Assume increased costs to provide mid-day janitorial services at 81 of the higher impacted field offices
  - Services range from \$5,000 - \$9,500 per month dependent on office location, size and availability of staffing. The estimated costs for 81 offices for 12 months are \$7.3 million
- Assume increased costs of \$2 million in FY 2021-22 for personal protective equipment and COVID supplies for field office employees and customers (i.e. seat covers, floor mats, and screen wipes, etc.)

### U.S. Pass

The DMV will continue to validate all US Passports provided as proof of identity, whether the applications are for a federally compliant DL/ID card or for a federal non-compliant DL/ID card. As many renewing cardholders are converting to REAL ID, many customers will need to bring in all their documents to comply and one of the acceptable forms of identification is a passport. This has created new and additional workload for the Department. If the applicant's passport data matches the data in the AAMVA (US Pass) system utilizing DHS records, the DMV application will continue. If the data does not validate, the applicant's information will be sent to DMV Headquarters for further validation and analysis. DMV Headquarters will be required to provide a secondary verification on the information provided. The DMV is currently processing approximately 195,000 US Pass verifications per month. The DMV is requesting ongoing costs of \$450,000 per year for the verifications and \$288,000 for three positions at the Senior Motor Vehicle Technician classification to process the additional workload at Headquarters.

<b>Workload</b>	<b>Classification</b>	<b>Requested Positions</b>
US Pass Verifications	Senior Motor Vehicle Representative	3.0
<b>Total Requested Positions</b>		<b>3.0</b>

### Outreach – Public Affairs

The Office of Public Affairs (OPA) is requesting \$14.5 million to contract with a public affairs/marketing firm to build on current efforts to increase awareness of REAL ID and DMV online services from July 1, 2021 through December 31, 2023 with \$9.5 million in FY 2021-22 and \$5 million in FY 2022-23. This will inform Californians on their options to get a REAL ID by the new federal enforcement date of October 2021 and continue to educate Californians on the importance of REAL ID.

During the 2019-20 fiscal year, OPA added three key positions to its staff including an AGPA-Social Media Specialist, a graphic artist and a television specialist. The positions were created to help roll out the REAL ID campaign as well as modernization efforts led by the department's leadership team.

All three positions work collaboratively and in tandem with OPA. They have been vital in executing OPA's work in relation to the department's overall mission and goals. Together, the positions have been key to managing the flow of developing information between DMV and its customers using visual and interactive elements that appeal to, inform, and educate the public. All three positions are important and necessary for OPA to continue its ongoing, new and developing projects, especially with the REAL ID campaign. DMV is requesting ongoing funding for three (3) positions and \$376,000 in FY 2021-22 and \$361,000 in FY 2022-23 and ongoing.

<b>Workload</b>	<b>Classification</b>	<b>Requested Positions</b>
Graphic Artist	Graphic Designer III	1.0
Television Specialist	Television Specialist	1.0
Social Media	Associate Governmental Program Analyst	1.0
<b>Total Requested Positions</b>		<b>3.0</b>

Online Identity Management & REAL ID Document Verification

The department was previously approved for \$6 million to retain an identity management application software used by customers who utilize the online driver license/identification card application. This application was utilized for customers to upload identity and residency documents and have them authenticated prior to visiting a field office. Currently, approximately 40 percent of REAL ID customers who are issued a federally compliant DL/ID card are utilizing this process. The RADVP, which will transition from the vendor-owned solution to an in-house solution, went live on July 27, 2020 as a pilot project. Currently, there are 54 field offices piloting this program. The plan is to monitor performance, workload, and resources and add more offices on through a staggered implementation. The end goal is to replace the vendor document verification service with an in-house automated document verification system maintained by the department by June 2021. The department requests \$4.6 million and 34 positions in FY 2021-22, \$3.7 million and 30 positions in FY 2022-23 through FY 2024-25, and \$2.7 million and 24 positions in FY 2024-25 and ongoing for this project. This program decreases the time customers are required to be in the field office to apply for a federally compliant DL/ID and is more cost effective than the vendor-owned solution.

This program creates additional headquarters workload for the Customer Services Division, Document Imaging Unit. The workload volume anticipated when RADVP is rolled out statewide is one million documents per month. Based on current workload with 54 field offices deployed, the department estimates 50 percent of the documents submitted by customers will be machine processed. The remaining documents, approximately 500,000 documents per month, will require processing by a DMV technician. Twenty-eight (28) technicians are required to process this workload at a rate of 30 seconds per document. The DMV will redirect five (5) Office Assistant positions to this workload and requests funding to upgrade them to the Office Technician classification. The department requests 18 Office Technician positions, five (5) Staff Services Analyst/Associate Governmental Program Analyst positions, and one Staff Services Manager I position, totaling 24 positions and \$2.2 million in FY 2021-22 and \$2.0 million in FY 2022-23 and ongoing.

Workload	Classification	Requested Positions
Document Authentication	Office Technician	18.0
Document Authentication	Upgrade five (5) Office Assistants to Office Technicians	0.0
Complex Document Authentication	Staff Services Analyst/ Associate Governmental Program Analyst	5.0
Supervision/Oversight	Staff Services Manager I	1.0
<b>Total Requested Positions</b>		<b>24.0</b>

In addition, Information Technology resources are required to support and maintain the RADVP workflow. The program requires support for the data, applications, user interface (UI), document uploads on the website, and the interface with the eDL44 workflow. In addition, during the REAL ID implementation, IT support is needed to further develop the application and the artificial intelligence maturity resulting from approximately one million documents submitted monthly from customers applying for a federally compliant DL/ID card. The department requests \$2.4 million and 10 positions in FY 2021-22 and \$1.7 million and six positions in FY 2022-23, FY 2023-24 and FY 2024-25. Ongoing funding of \$351,000 is requested for RADVP software and contracts.

## IT Resources – REAL ID Automated Document Verification Project (RADVP)

Workload	Classification	FY 2021-22	FY 2022-23 - FY 2024-25
IT Manager	IT Manager I	1.0	0.5
Senior Solutions Architect - Lead UI Developer	IT Specialist II	1.0	0.5
Document Transformation (ABBYY) Administrator	IT Specialist II	1.0	0.5
Data Administrator	IT Specialist II	1.0	0.25
Infrastructure Architect/AWS Administrator	IT Specialist II	1.0	0.5
Senior Network Administrator	IT Specialist II	1.0	0.25
Lead Business Solutions Analyst	IT Specialist I	1.0	0.75
UI Application Developer	IT Specialist I	1.0	1.0
Document Transformation (ABBYY) Developer	IT Specialist I	1.0	1.0
Data Reporting / Business Intelligence Analyst	IT Specialist I	1.0	1.0
<b>Total Requested Positions</b>		<b>10.0</b>	<b>6.0</b>

### **Customer Service Improvements**

#### 360° Customer Experience

In fiscal year 2019/20, DMV received 89 positions, 77 Senior Motor Vehicle Technicians and eight (8) Manager I's, and \$3.3 million for the DMV Contact Centers to enable chatbot and live chat services. The positions received have been filled, trained, and have the ability to take up to three general live chats at one time. The department deployed a Customer Relationship Management (CRM) System in the DMV Contact Centers in order to deploy these services. The department requests ongoing resources of 89 positions and \$11.68 million in FY 2021-22 and \$11.1 million in FY 2022-23 and ongoing to continue to support this customer service improvement. This request includes \$2.9 million for ongoing CRM licenses and support to enable chatbot, live chat, and email ongoing.

### **Operational Improvements**

#### Additional Online Services

DMV streamlined its identity management system for online services, providing more customers the ability to conduct their DMV business online, including customers without a social security number or who could not remember their DL/ID card number, who previously could not access online services. Customers now can securely authenticate their identity and utilize online services instead of visiting a field office. DMV eliminated unnecessary and redundant steps to improve customer experience. The department is requesting \$1.6 million in continuing resources to maintain this service.

The new identity management system allowed the department to implement an online replacement of driver licenses in late March 2020 for customers who lose, misplace, or have their DL stolen. The DMV field offices serve approximately one million customers annually who requested a replacement DL. For FY 2020-21, DL duplicates processed online have averaged approximately 25,000 per month. The department estimates that 45% of customers requesting a duplicate DL/ID will choose to do so online rather than come into a public office which will create position savings in the field offices of 26.6 positions and \$2.0 million. Since the implementation of the online duplicate DLs, the Licensing Branch at the DMV headquarters has experienced an increase in customer calls to look into records for customers who are unable to request a duplicate DL online (i.e. traffic violations, etc.). The department currently receives 350 calls daily and estimates that each call requires three minutes. The department requests 2.6 positions at the Motor Vehicle Representative classification and \$222,000 in FY 2021-22 and 2.6 positions and \$202,000 in FY 2022-23 and ongoing. The net savings, after taking the additional Licensing Branch workload into account, is 24.0 positions and \$1.9 million.

### Learning Management System Implementation

As a finding from the OSAE Performance Review Audit, the Department requested \$610,000 annually to introduce a Learning Management System into the department that would combine department-wide training management, records, reporting, scheduling, and compliance training management. The contract for a Blackboard supported LMS was executed in October 2019. During FY 2019-20, the analysis, design, and build phases of the system were completed and DMV fully implemented the system in early FY 2020-21. Ongoing annual funding of \$610,000 is needed to maintain the system to support the department-wide training management that includes updating training records, generating reports, scheduling, and tracking compliance training.

In addition, the department also requested 12 Training Officer I (TOI) positions in FY 2019-20 and FY 2020-21 in order to onboard new employees and develop employee skills and knowledge necessary to have more effective customer interactions for REAL ID and other DMV customers. The extended federal compliance enforcement date of October 1, 2021 requires the department to retain nine (9) TOIs in FY 2021-22 and request six (6) permanent TOIs for FY 2022-23 and ongoing to maintain and develop virtual training material.

As a result of COVID-19, the department changed the course of our training business and the Departmental Training Branch (DTB) was required to cancel instructor-led courses and reinvent the methodologies of delivering training content. DTB has redirected duties of the TOIs to include professional development on virtual learning to build their skillset as well as modification of existing training content and creation of new training content to support the direction of accessible virtual training moving forward. DMV requires ongoing trainer positions that can continue to support the development, assessment, and modification of training content, and development of eLearning curriculum. Skills in eLearning are beginning to be developed by DMV TOIs. Development time of virtual learning takes longer than standard instructor-led training. According to industry standards, eLearning curriculum development requires a ratio of 1 hour of deliverable content to 197 hours of eLearning development time for an average product. The department requests \$1.1 million and nine positions in FY 2021-22 and \$712,000 and six positions in FY 2022-23 and ongoing.

### Medical Management Unit

DMV is requesting nine (9) positions and \$736,000 in FY 2021-22 and ongoing to establish a Medical Management Unit. Currently, managers and supervisors within the department are using their vital time to take care of medical management workload that could be transferred to specialized staff in the Human Resources Branch (HRB) to mitigate risk and allow them to focus more attention on their primary job functions. The Medical Management Unit workload includes requests for disability leave/claims, medical separations, and Family Medical Leave Act requests. This new unit will be the point of contact for DMV employees including the initiation of the request, providing documentation, and approval/resolution of the request. Several departments state-wide that are similarly sized to the department (i.e. Caltrans, CalPERS, etc.) have implemented a Medical Management Unit with specialized staff to handle this critical function.

### District Managers

The DMV Field Operations Division (FOD) is requesting continued funding of \$6.6 million in FY 2021-22 and \$6.5 million in FY 2022-23 and ongoing for 32 Assistant Division Chief/Program Manager positions statewide. These Area Managers, recommended by the Gov Ops Strike Team, were requested to assist the Regional Administrators (RAs) (CEA classifications) in the oversight and management of 181 public field offices throughout the state and act on the RAs behalf with the authority to provide direction to Office Managers.

The regions have experienced the following benefits from the district managers:

- Increased field office visitation support that has led to additional managerial training, mentorship, and direction
- Increased facilitation and coordination of career development for field office managers and employees
- Increased completion of probation reports, IDPs, greater tracking of employee discipline issues, and added layer of review and support for grievances
- Increased adherence to meeting project deadlines, communication, reporting, data accuracy, and improved office efficiency
- Increased tracking and support related to facility projects and health and safety related contracts
- Increased implementation support for new training initiatives, enterprise wide projects, policies, and procedures
- Increased accuracy when reviewing trends and making appropriate adjustments
- Increased standardization in the delivery of service to our customer base
- Identify and address deficiencies in service options, customer flow changes, and staff utilization to increase and improve the customer experience
- Increased implementation of reports, surveys and messaging
- Identified and leveraged strengths, staffing abilities, knowledge, and succession planning efforts.
- Consistent implementation of safety and security protocols statewide.

Overall, the benefit of the Area Manager positions has been quite instrumental to improve communication, ensure consistency, deliver projects timely, increase operational flow, create team building, develop staff through succession planning, ensure HR support and follow through is realized, and provide a level of support for regional oversight and operations.

#### Regional AGPAs

The FOD is requesting continued funding for eight regional Staff Services Analyst (SSA)/Associate Governmental Program Analyst (AGPA) positions.

Each regional office has hired an SSA/AGPA and has realized the following benefits:

- Monitor the Queue system, Customer Flow System, and worked with office management to reduce customer wait times and increase office efficiencies
- Monitor the Office and Personnel Administration database to ensure efficiencies and accuracy in reporting data
- Analyze production, workload, personnel, and expenditures within the region to ensure the region stayed on track
- Act as the Subject Matter Expert to assist with regional and statewide initiatives
- Manage projects as a divisional team to ensure consistency statewide
- Gather, analyze, and forecast data to project the needs of the regions to enhance the customers' experience, build staffing projections and keep more accurate statistical data
- Prepare ad hoc reports, accurately, efficiently and with applicable insight which enables the regions to manage their workload more efficiently
- Create visual displays regarding wait times, staffing limitations, and facility constraints.
- Facilitate and coordinated training to offices

### Self-Service Terminals (Kiosks)

As part of DMV's continued efforts to re-direct customers from a public field office and reduce wait times, the Department has increased the number of Self-Service Kiosks (SSKs) in the field offices and external locations. In addition, the DMV has expanded the transactions offered on the SSKs, including the duplicate registration card/sticker and DL/ID and vehicle registration record requests. The increase in the availability of an SSK machine, will reduce the number of customers customer transactions at a DMV office, thereby reducing wait times for those customers who are required to make an in person visit. Those customers who choose to go to a field office to process a simple registration renewal often do so because of the need to pay in cash or want a registration sticker immediately after completing the transaction. The only options for these customers are to visit a field office or an SSK machine.

In FY 2019-20, the registration renewals processed at the SSK was 2.4 million, and approximately 569,000 processed their renewal at the field office in the prior year. In FY 2019-20, the DMV has increased the number of SSKs in various locations throughout the state to provide customers another way to complete their transactions without coming to a field office. With the addition of these new kiosks, there are now 349 kiosks statewide: 96 in DMV field offices and 253 in retail locations. There are also 13 kiosks located in various AAA offices throughout the state.

In December 2019 and January 2020, 10 new languages were added that meet the requirements of the Dymally-Alatorre Language Services Act: Arabic, Armenian, Chinese, Farsi, Hindi, Korean, Punjabi, Russian, Tagalog, and Vietnamese. The kiosks currently offer customers the ability to:

- Renew Vehicle Registration
- Process a Planned Non-Operation (PNO)
- Submit vehicle insurance
- Submit an Affidavit of Non-use form
- Remove an Affidavit of Non-use form
- Pay Vehicle Registration Suspension Reinstatement Fee
- Submit SMOG information
- Replacement Registration Card/Sticker
- Driver License History
- Vehicle Registration History

The Department plans to add the following transactions in the near future:

- Duplicate driver license transaction for kiosks planned for production by January 2021
- Driver license/identification card renewal transactions planned for production by June 2021
- Duplicate title, commercial moving permit, and one trip moving permit transactions planned in 2021/22 fiscal year.

Offering this alternative creates both a convenience for the customer and an efficiency for the department. The DMV currently has a base allotment of \$8,000,000 to fund the current SSTs that are placed in various locations throughout the state and are projecting an additional funding need of \$8.3 million in FY 2021-22 increasing to \$15.8 million in 2024-25 and on-going.

**Workload History  
Self Service Kiosk**

	Actuals					
	14/15	15/16	16/17	17/18	18/19	19/20
Number of SSKs	50	60	100	100	179	349
SSK Transactions	1,037,077	1,219,372	1,430,773	1,981,068	2,124,029	2,777,605
SSK Expenditures	\$ 3,889,039	\$ 4,572,645	\$ 5,365,399	\$ 7,429,005	\$ 8,389,915	\$ 10,971,540
	Projected					
	20/21	21/22	22/23	23/24	24/25	24/25
Number of SSKs	349	349	349	349	349	349
SSK Transactions	3,713,718	4,116,353	4,527,988	4,980,787	5,478,866	6,026,752
SSK Expenditures	\$14,669,186	\$16,259,594	\$17,885,554	\$ 19,674,109	\$ 21,641,520	\$ 23,805,672
<b>Add'l Funding Request</b>	<b>\$6,669,186</b>	<b>\$8,259,594</b>	<b>\$ 9,885,554</b>	<b>\$ 11,674,109</b>	<b>\$ 13,641,520</b>	<b>\$ 15,805,672</b>

Fleet Replacement

The DMV's fleet is primarily used for investigations of vehicle fraud, title fraud, chop-shops, misuse of disabled placards, diving school violations, and enforcement of laws and regulations related to new and used vehicle dealers as well as for managers and Facility staff to travel to offices throughout the state. The DMV currently has 298 vehicles in their fleet. In FY 2019-20 DMV purchased 78 vehicles and anticipates purchasing 50 replacement vehicles in FY 2020-21. DMV is requesting \$1.5 million in FY 2021-22 and \$1.6 million in FY 2022-23 and ongoing for appropriate fleet replacements per DGS guidelines.

**IT Improvements**

IT Components

Over the years, many DMV hardware components have reached its End of Life (EOL). Some of the servers cannot be patched to address security vulnerabilities due to vendor unsupported hardware. Parts to replace the EOL hardware have become scarce and failures of hardware are becoming more frequent. Many manufacturers are no longer providing extended warranties/support to the EOL hardware. The Department is requesting continued funding of \$3.1 million annually to continue to replace the IT equipment that has reached its end of life on a five-year replacement schedule. The total cost of the needed replacement equipment identified by DMV is approximately \$20.2 million. The Department plans to replace the equipment on a five-year replacement schedule which would create an additional expenditure of \$4 million per year. DMV currently spends approximately \$1 million per year for replacement equipment, creating a need for an augmentation of \$3.1 million per year. The following requests are in response to findings from the OSAE Performance Review Audit.

PC Refresh:

DMV has over 9,400 personal computers. DMV received \$6.2 million in the FY 2019-20 and \$900k in FY 2020-21 for PC refresh. The DMV is requesting \$900,000 in FY 2021-22 and on-going for PC refresh.

DMV Operational Improvements					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 and ongoing
<b>REAL ID Workload</b>					
Total REAL ID Position Costs	\$132,068	\$67,211	\$50,998	\$9,278	\$9,278
Field Office Personal Protective Equipment & COVID supplies	\$1,988	\$0	\$0	\$0	\$0
U.S. Pass & SSN Verifications	\$862	\$611	\$558	\$489	\$489
DLPC Facilities Costs (Rent, etc.)	\$3,474	\$3,570	\$3,091	\$1,473	\$1,422
Extended FO Hours / Saturday Service Facilities Costs (Security & Janitorial) & Mid-day Janitorial Svcs.	\$13,492	\$13,522	\$13,522	\$0	\$0
Outreach (Media)	\$9,500	\$5,000	\$0	\$0	\$0
Outreach/Media/Pub Aff. (3 positions)	\$376	\$361	\$361	\$361	\$361
REAL ID Authentication Document Verification Program (RADVP) Support (34 positions)	\$4,289	\$3,325	\$3,325	\$3,325	\$2,344
RADVP Ongoing Software/Contracts	\$351	\$351	\$351	\$351	\$351
DL/ID Card Contract (Duplicates)	\$8,696	\$0	\$0	\$0	\$0
<b>Subtotal, REAL ID Workload</b>	<b>\$175,097</b>	<b>\$93,951</b>	<b>\$72,746</b>	<b>\$15,277</b>	<b>\$14,245</b>
<b>Customer Service Improvements</b>					
Credit Card in Field/Discount Fee savings	(\$24,000)	(\$24,000)	(\$24,000)	(\$24,000)	(\$24,000)
Chatbot user contract	\$500	\$500	\$500	\$500	\$500
CRM Live chat positions (89 positions)	\$8,707	\$8,251	\$8,251	\$8,251	\$8,251
CRM Live chat/email ongoing support	\$885	\$885	\$885	\$885	\$885
CRM licenses	\$1,512	\$1,512	\$1,512	\$1,512	\$1,512
<b>Subtotal, Customer Service Improvements</b>	<b>(\$12,397)</b>	<b>(\$12,853)</b>	<b>(\$12,853)</b>	<b>(\$12,853)</b>	<b>(\$12,853)</b>
<b>Operational Improvements</b>					
Learning Management System	\$610	\$610	\$610	\$610	\$610
Departmental Training Officers (9 positions, dropping to 6)	\$1,114	\$712	\$712	\$712	\$712
Medical Management Unit (9 positions)	\$736	\$736	\$736	\$736	\$736
District Managers (32 positions)	\$6,616	\$6,452	\$6,452	\$6,452	\$6,452
District AGPAs (8 positions)	\$990	\$949	\$949	\$949	\$949
Software for Online DL/ID Replacement	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
Online Duplicate Savings (24 Positions)	(\$1,895)	(\$1,902)	(\$1,902)	(\$1,902)	(\$1,902)
SST Funding (for 200 new SSTs)	\$8,260	\$9,886	\$11,674	\$13,642	\$15,806
Fleet Replacement	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
<b>Subtotal, Operational Improvements</b>	<b>\$19,630</b>	<b>\$20,642</b>	<b>\$22,431</b>	<b>\$24,398</b>	<b>\$26,562</b>
<b>IT Improvements</b>					
IT refresh	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100
PC Refresh	\$900	\$900	\$900	\$900	\$900
<b>Subtotal, IT Improvements</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>
<b>Total Estimated Request</b>	<b>\$186,331</b>	<b>\$105,740</b>	<b>\$86,324</b>	<b>\$30,822</b>	<b>\$31,955</b>

## E. Outcomes and Accountability

The expected outcome of this proposal is to minimize impending backlogs and customer wait times due to the increase in DL/ID card customer transactions in the field offices. The department will continue to monitor the number of federally compliant DL/ID card applicants and current workload indicators, and will modify its projections and corresponding fiscal estimates, as data becomes available warranting such adjustments. The requests for operational improvements are designed to enhance customer service and create efficiencies in the field offices and throughout the Department.

## F. Analysis of All Feasible Alternatives

### Alternative 1:

The proposed solution is to hire additional staff for the anticipated increased workload, continue funding for the temporary DLPC's, retain funding for the San Jose DLPC, and continue to provide Saturday Service and extended field office hours to issue federally compliant DL/ID cards. This alternative will also continue to provide funding for customer service and operational improvements, and IT improvements.

Costs: \$186.3 million in FY 2021-22, \$105.7 million in FY 2022-23, \$86.3 million in FY 2023-24, and \$30.8 million in FY 2024-25 and \$32.0 million in 2025-26 and 257.7 ongoing permanent positions

#### Pros:

- Will ensure that our customers' needs are met in a timely manner.
- Provides Californians a DMV-issued card that can be accepted by TSA to board an airplane for a domestic flight.
- Provides a better customer experience.
- Ensures DMVs IT systems are functional.

#### Cons:

- Additional funding would be required.

### Alternative 2:

This solution is to only hire staff to issue federally compliant DL/ID cards without continuing the driver license processing center leases and providing Saturday Service and extended field office hours and without providing any technology upgrades or refresh and without any additional operational or customer service improvements.

Costs: \$115.4 million in FY 2021-22, \$51 million in FY 2022-23, \$39.4 million in FY 2023-24, and \$1.0 million in FY 2024-25 and ongoing

#### Pros:

- Less costly than proposed solution.
- Still provides Californians a DMV issued card that can be accepted by TSA to board an airplane for a domestic flight.

#### Cons:

- Will not provide Saturday Service and extended field office hours to ensure customer service levels are maintained.
- Will significantly increase field office wait times.
- Eliminates available additional appointment times after hours and on Saturdays.

### Alternative 3:

Do not increase the staffing for this additional workload or offer additional services. Require appointments for all DL/ID transactions and increase the outreach and media campaigns so customers are aware of the requirements.

Costs: \$14.5 million

#### Pros:

- Increased up-front costs will be minimal.

Cons:

- Californians may have to wait longer to get their federally compliant DL/ID card as appointments may be difficult to get in a timely manner.
- Californians will be required to have another document that is accepted by the TSA to board a plane for a domestic flight.
- Increased public complaints from customers who are unable to be serviced in an office at their convenience.

## **G. Implementation Plan**

Federal compliance with REAL ID has an operative date of October 1, 2021. To meet the continuing increased workload, the Department will need approval and funding to retain 1,383 temporary positions and 257.7 permanent positions beginning in FY 21/22

The department has considered multiple approaches to comply with the federal standards within the limited timeframe in order to provide a DL/ID card that meets federal standards. In order to address the needs of existing and new customers, and to pursue implementation in the most fiscally prudent manner, while keeping to the department's strategic goals and objectives, the following framework has been utilized for implementation:

- Maximize existing infrastructure to help decrease the size and number of additional facilities required to adequately serve the increased customer volume.
- Continue the temporary Swing Space sites in Anaheim, Pacoima, and the state-owned Fontana Field Office and continue leasing the San Jose DLPC on a permanent ongoing basis to process additional DL/ID card transactions.
- Redirect workload where possible to alternate service channels to mitigate the impact to service levels in field offices and reduce wait times.

Employ a variety of methods (educational outreach, media campaigns, online information, etc.) to prepare the applicant to ensure a timely and successful visit on the first attempt and to encourage appointments and the use of Saturday service hours.

## **H. Supplemental Information**

The department has identified several ways of maximizing the existing field office infrastructure and has developed a facilities plan that includes; maximizing existing field office space to allow for the increased volume of customers; replacing the two temporary Driver License Processing Centers (DLPCs) with two new full service temporary leased offices; and to permanently fund and fully staff the San Jose DLPC to specifically service the needs of current DL/ID card customers and new DL/ID card applicants. In addition, service hours will be extended, and Saturday service would be offered at specified field offices.

## **I. Recommendation**

The recommendation is to approve the Budget request to provide the DMV with requested funding to meet the continuing increase in DL/ID card applications.

# BCP Fiscal Detail Sheet

BCP Title: Extension of REAL ID Resources and DMV Operational Improvements

BR Name: 2740-031-BCP-2021-GB

Budget Request Summary

## Personal Services

Personal Services	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
Positions - Permanent	0.0	257.0	257.0	257.0	257.0	257.0
Positions - Temporary	0.0	0.7	0.7	0.7	0.7	0.7
<b>Total Positions</b>	<b>0.0</b>	<b>257.7</b>	<b>257.7</b>	<b>257.7</b>	<b>257.7</b>	<b>257.7</b>
Salaries and Wages Earnings - Permanent	0	24,292	22,548	19,175	15,802	15,802
Salaries and Wages Earnings - Temporary Help	0	69,038	30,431	22,855	581	0
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$93,330</b>	<b>\$52,979</b>	<b>\$42,030</b>	<b>\$16,383</b>	<b>\$15,802</b>
Total Staff Benefits	0	52,529	28,560	24,240	9,544	9,165
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$145,859</b>	<b>\$81,539</b>	<b>\$66,270</b>	<b>\$25,927</b>	<b>\$24,967</b>

## Operating Expenses and Equipment

Operating Expenses and Equipment	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
5301 - General Expense	0	13,315	2,305	1,918	707	691
5304 - Communications	0	704	832	468	347	346
5320 - Travel: In-State	0	418	357	623	713	382
5322 - Training	0	1,144	716	254	120	451
5324 - Facilities Operation	0	17,790	16,196	16,299	1,365	1,327
5326 - Utilities	0	757	770	770	105	93
5340 - Consulting and Professional Services - External	0	-4,955	-8,033	-11,298	-9,399	-7,235
5342 - Departmental Services	0	342	227	227	227	227
5344 - Consolidated Data Centers	0	2,194	2,076	2,038	1,955	1,951
5346 - Information Technology	0	6,161	6,153	6,153	6,153	6,153
5368 - Non-Capital Asset Purchases - Equipment	0	2,501	2,501	2,501	2,501	2,501
539X - Other	0	101	101	101	101	101
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$40,472</b>	<b>\$24,201</b>	<b>\$20,054</b>	<b>\$4,895</b>	<b>\$6,988</b>

## Total Budget Request

Total Budget Request	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$186,331</b>	<b>\$105,740</b>	<b>\$86,324</b>	<b>\$30,822</b>	<b>\$31,955</b>

## Fund Summary

### Fund Source

Fund Source	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
State Operations - 0044 - Motor Vehicle Account, State Transportation Fund	0	186,331	105,740	86,324	30,822	31,955
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$186,331</b>	<b>\$105,740</b>	<b>\$86,324</b>	<b>\$30,822</b>	<b>\$31,955</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$186,331</b>	<b>\$105,740</b>	<b>\$86,324</b>	<b>\$30,822</b>	<b>\$31,955</b>

## Program Summary

### Program Funding

Program Funding	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
2130 - Vehicle/Vessel Identification and Compliance	0	5,575	5,450	6,463	7,065	8,092
2135 - Driver Licensing and Personal Identification	0	178,690	98,103	77,446	20,944	20,717
2140 - Driver Safety	0	1,203	1,370	1,529	1,807	2,040
2145 - Occupational Licensing and Investigative Services	0	863	813	882	1,000	1,100
9900100 - Administration	0	16,337	9,332	7,591	2,762	2,860
9900200 - Administration - Distributed	0	-16,337	-9,328	-7,587	-2,756	-2,854
<b>Total All Programs</b>	<b>\$0</b>	<b>\$186,331</b>	<b>\$105,740</b>	<b>\$86,324</b>	<b>\$30,822</b>	<b>\$31,955</b>

## Personal Services Details

### Staff Benefits

Staff Benefits	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
5150150 - Dental Insurance	0	588	309	263	114	110
5150200 - Disability Leave - Industrial	0	230	120	102	43	42
5150210 - Disability Leave - Nonindustrial	0	76	40	34	14	14
5150350 - Health Insurance	0	11,113	5,828	4,949	2,147	2,070
5150400 - Life Insurance	0	16	9	7	3	3
5150450 - Medicare Taxation	0	1,353	768	609	237	229
5150500 - OASDI	0	5,786	3,285	2,606	1,015	980
5150600 - Retirement - General	0	22,351	12,430	10,769	3,851	3,672
5150700 - Unemployment Insurance	0	110	58	49	21	21
5150750 - Vision Care	0	107	56	48	21	20
5150800 - Workers' Compensation	0	3,459	1,813	1,540	667	644
5150820 - Other Post-Employment Benefits (OPEB) Employer Contributions	0	1,893	994	844	367	354
5150900 - Staff Benefits - Other	0	5,447	2,850	2,420	1,044	1,006
<b>Total Staff Benefits</b>	<b>\$0</b>	<b>\$52,529</b>	<b>\$28,560</b>	<b>\$24,240</b>	<b>\$9,544</b>	<b>\$9,165</b>

### Total Personal Services

Total Personal Services	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$52,529</b>	<b>\$28,560</b>	<b>\$24,240</b>	<b>\$9,544</b>	<b>\$9,165</b>