Fiscal Year	Business Unit	Department	Priority No.
FY 2021-22	2740	Motor Vehicles	1

Budget Request Name	Program	Subprogram
2740-096-BCP-2021-MR	2135 Driver Licensing & Personal Identification	N/A

Budget Request Description
Extension of REAL ID Resources and Operational Improvements

Budget Request Summary
The Department of Motor Vehicles (DMV) requests a net-zero shift in the fund source for 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 May 3, 2023. 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 a net-zero shift in the fund source for 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.

Requires Legislation	Code Section(s) to be Added/Amended/Repealed
☐ Yes ☒ No	N/A

Does this BCP contain information technology (IT) components? ☒ Yes ☐ No *If yes, departmental Chief Information Officer must sign.*	Department CIO Rico Rubiono	Date Click or tap to enter a date.

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.

Prepared By	Date	Reviewed By	Date
Angela Pyara	5/10/2021	Lee Scott	Click or tap to enter a date.
Department Director	**Date**	**Agency Secretary**	**Date**
Steve Gordon	Click or tap to enter a date.	David S. Kim	Click or tap to enter a date.

Department of Finance Use Only

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

PPBA	Date submitted to the Legislature
Click or tap here to enter text.	Click or tap to enter a date.

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, $105.7 million in FY 2022-23, $86.3 million in FY 2023-24, and $30.8 million in FY 2024-25 General Fund to continue implementation of the federally mandated REAL ID Act. This request shifts the costs of the existing REAL ID and Operational Improvements request submitted with the 2021-22 Governor's Budget from the Motor Vehicle Account to the General Fund. 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 May 3, 2023. 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.

The requested resources for REAL ID implementation will be provided by the General Fund in FY 2021-22 through FY 2024-25, with the resources in FY 2025-26 and ongoing provided by the Motor Vehicle Account. In addition, the department proposes provisional budget bill language to provide flexibility for REAL ID implementation by allowing the requested $186.3 million in FY 2021-22 to be available for encumbrance and liquidation until June 30, 2025. This will assist DMV in adjusting its expenditures to match REAL ID demand should it not materialize in 2021-22.

BCP Fiscal Detail Sheet

BCP Title: Extension of REAL ID Resources & DMV Ops Improvement - General Fund 4-year Funding

BR Name: 2740-096-BCP-2021-MR

Budget Request Summary

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 - 0001 - General Fund	0	186,331	105,740	86,324	30,822	0
State Operations - 0044 - Motor Vehicle Account, State Transportation Fund	0	-186,331	-105,740	-86,324	-30,822	0
Total State Operations Expenditures	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Program Summary

Program Funding

Program Funding	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
2135 - Driver Licensing and Personal Identification	0	0	4	4	6	0
9900100 - Administration	0	-16,337	-9,332	-7,591	-2,762	0
9900200 - Administration - Distributed	0	16,337	9,328	7,587	2,756	0
Total All Programs	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**