

Department of Transportation
Motor Vehicle

A.R.S. § 28-101

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,688.0	1,730.0	1,751.0 ^{1/}
Personal Services	48,573,500	57,740,100	59,966,100
Employee Related Expenditures	19,244,200	27,143,500	29,366,800
Professional and Outside Services	862,100	1,227,000	834,500
Travel - In State	429,800	431,500	431,500
Travel - Out of State	21,700	33,000	33,000
Other Operating Expenditures	22,939,200	16,428,400	16,324,700
Equipment	2,893,300	1,143,600	2,046,500
OPERATING SUBTOTAL	94,963,800	104,147,100	109,003,100
SPECIAL LINE ITEMS			
New Third Party Funding	0	689,500	769,700 ^{2/}
Abandoned Vehicle Administration	614,500	1,018,800	1,039,800
Fraud Investigation	0	0	993,400
PROGRAM TOTAL	95,578,300	105,855,400	111,806,000^{3/4/5/}
FUND SOURCES			
<u>Other Appropriated Funds</u>			
Air Quality Fund	62,800	68,600	71,700
Driving Under the Influence Abatement Fund	309,400	136,800	143,300
Highway User Revenue Fund	383,200	607,300	617,000
Motor Vehicle Liability Insurance Enforcement Fund	1,233,900	4,029,000	2,456,900
Safety Enforcement and Transportation Infrastructure Fund	1,240,600	0	1,613,700
State Highway Fund	91,140,100	99,479,600	105,093,700
Vehicle Inspection and Title Enforcement Fund	1,208,300	1,534,100	1,809,700
SUBTOTAL - Other Appropriated Funds	95,578,300	105,855,400	111,806,000
SUBTOTAL - Appropriated Funds	95,578,300	105,855,400	111,806,000
Federal Funds	2,096,600	3,124,100	3,124,100
TOTAL - ALL SOURCES	97,674,900	108,979,500	114,930,100

1/ Includes 52 FTE Positions funded from Special Line Items in FY 2008.

2/ The department shall submit semiannual progress reports for review by the Joint Legislative Budget Committee of the progress in increasing third party transactions, the status of Motor Vehicle Division third party staffing, workload and quality assurance backlog. The semiannual progress report shall also include the number of existing third parties and the number of entities on any third party waiting lists. The semiannual report shall address title and registration, vehicle identification number inspection, commercial driver license examination, noncommercial driver license examination, commercial driver training school, noncommercial driver training school and traffic survival school. The reports are due by January 30, 2008 and July 30, 2008. (General Appropriation Act footnote)

3/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Program.

4/ The department shall not transfer any funds to or from the Motor Vehicle Division without the review by the Joint Legislative Budget Committee. (General Appropriation Act footnote)

5/ The Department of Transportation shall submit quarterly progress reports to the Joint Legislative Budget Committee on their progress in improving Motor Vehicle Division wait times and vehicle registration renewal by mail turnaround times. The reports shall document the monthly averages for the total time customers spent at the office and the reasons for changes in these times for each Motor Vehicle Division field office equipped with electronic customer monitoring devices. The reports shall document the wait time to get a numbered ticket from a Motor Vehicle Division employee, the time between receiving the numbered ticket and arriving at the counter and the transaction time at the counter. The reports shall document the number of customers who arrived at Motor Vehicle Division offices but who did not complete their transaction, and the Motor Vehicle Division's average turnaround time for vehicle registration renewal by mail. The reports shall include details by office for all offices in the metropolitan areas which are defined to include all of Maricopa County, Apache Junction, Tucson and Flagstaff, and summarized for the nonmetropolitan areas. In addition to documenting wait times, the reports shall document the number of primary transactions (driver licenses, titles, and vehicle registrations) and secondary transactions (all others), the number of counter positions assigned and filled and the productivity levels (the average number of primary transactions completed by staff and the average number of secondary transactions completed by staff). The reports shall document the number of primary and secondary transactions completed by third parties by metropolitan and nonmetropolitan area offices. The reports are due within 30 days after the end of each calendar quarter. (General Appropriation Act footnote)

COST CENTER DESCRIPTION — Motor Vehicle regulates vehicular operations within the state through the issuance and control of various permits, registrations and licenses.

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	Approved
• Average office wait time from arriving at MVD office to receiving numbered ticket (minutes) Comments: The agency did not submit information for this measure in prior fiscal years. ADOT began a 4 office pilot program in FY 2007 at South Mountain, Scottsdale, Northwest Phoenix and East Mesa MVD offices for this measure. The average wait time was 6.6 minutes in the first half FY 2007 for the 4 pilot offices.	NA	NA	NA	2.0
• Average office wait time from receiving numbered ticket to arriving at counter (minutes) Comments: This performance measure does not include time spent waiting outside MVD offices, before customers get a numbered ticket from an MVD employee which starts the current wait time clock ticking.	15.1	21.6	27.8	15.0
• % of office customers rating service “good” or “excellent”	82	77.2	67	83
• Average telephone wait time to speak to an MVD employee (minutes) Comments: The average telephone wait time to speak to an MVD employee are calls referred for second level assistance after first being received by MVD call centers.	21.7	16.2	16.1	15.2
• % of alternative vehicle registration renewal methods (mail, internet, third party)	71.8	75.1	78.6	80

Operating Budget

The budget provides \$109,003,100 and 1,699 FTE Positions for the operating budget in FY 2008. This amount consists of:

	FY 2008
Air Quality Fund	\$ 71,700
Driving Under the Influence Abatement Fund	143,300
Highway User Revenue Fund	384,800
Motor Vehicle Liability Insurance Enforcement Fund	2,259,700
Safety Enforcement and Transportation Infrastructure Fund	1,613,700
State Highway Fund	102,798,400
Vehicle Inspection and Title Enforcement Fund	1,731,500

These amounts fund the following adjustments:

Statewide Adjustments

The budget provides an increase of \$3,936,300 in FY 2008 for statewide adjustments. This amount consists of:

Air Quality Fund	3,100
Driving Under the Influence Abatement Fund	6,500
Motor Vehicle Liability Insurance Enforcement Fund	65,900
Safety Enforcement and Transportation Infrastructure Fund	28,900

State Highway Fund	3,784,900
Vehicle Inspection and Title Enforcement Fund	47,000

(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)

Customer Service Equipment

The budget provides an increase of \$789,500 from the State Highway Fund in FY 2008 for customer service equipment, including \$182,000 for 13 queue management systems and \$607,500 for 75 Palm Pilots. This would equip 45 out of 62 MVD field offices (those with 4 or more customer service windows) with queue management systems, which allow MVD to monitor and better manage customers' wait time between receiving a numbered ticket and arriving at a customer service window. The Palm Pilots are primarily for vehicle inspectors to enter data in the field which is later downloaded to a computer, but could also be used to measure customer wait time between their arrival and receipt of a numbered ticket. MVD usually only measures the time between receiving the numbered ticket and arriving at a customer service window. The approved amount includes \$789,500 in one-time equipment.

The budget expands the reporting requirements in the MVD customer service wait time footnote. The footnote continues to require quarterly progress reports to the JLBC of the progress in improving MVD wait times, the number

of customers who did not complete their transaction, and vehicle registration renewal by mail turnaround times. The footnote adds progress reporting requirements for primary transactions (driver licenses, titles, and vehicle registrations) and secondary transactions (all others), assigned and filled counter positions, and productivity levels for MVD offices, and primary and secondary transactions by third parties. The reports are due within 30 days after the end of each calendar quarter. (See footnote 5.)

Motor Carrier Workload

The budget provides an increase of \$488,000 and 5 FTE Positions from the State Highway Fund in FY 2008 for motor carrier workload for initial and renewal commercial driver licenses. The approved amount includes \$120,000 in one-time equipment.

Vehicle Inspection Workload

The budget provides an increase of \$238,800 and 3 FTE Positions from the Vehicle Inspection and Title Enforcement Fund in FY 2008 for vehicle inspection workload. The approved amount includes \$90,000 in one-time equipment.

Computer Assessment One-Time Costs

The budget provides a decrease of \$(596,600) in FY 2008 for one-time equipment and an MVD computer system assessment. This amount consists of:

Motor Vehicle Liability Insurance Enforcement Fund	(48,600)
State Highway Fund	(548,000)

The Transportation Budget Reconciliation Bill (Laws 2007, Chapter 267), extends the lapsing date of the FY 2007 MVD computer system assessment appropriation of \$500,000 to June 30, 2008, retroactive to June 30, 2007.

Fraudulent Document Staff Reclassification

The budget provides an increase of \$192,000 from the State Highway Fund in FY 2008 to reclassify 64 MVD customer service FTE Positions as lead fraudulent document specialists, due to the increased training and emphasis on fraudulent identification document recognition.

The budget includes a corresponding decrease of \$(192,000) from the State Highway Fund in FY 2008 to reduce the 7-9 month high level of license plate inventory.

SETIF - MVLIE Funding Shift

The budget provides an increase of \$1,584,800 and 22 FTE Positions from the Safety Enforcement and Transportation Infrastructure Fund (SETIF) and a corresponding decrease of \$(1,584,800) and (22) FTE Positions from the Motor Vehicle Liability Insurance Enforcement Fund (MVLIE) in FY 2008. This reverses last year's \$1,584,800 and 22 FTE Positions funding shift from SETIF to MVLIE in

FY 2007, which was a result of SETIF revenue shortfalls and Laws 2006, Chapter 205.

The Transportation Budget Reconciliation Bill (Laws 2007, Chapter 267), as permanent law, repeals the provisions of Laws 2006, Chapter 205 to again allow the use of SETIF monies for the Department of Public Safety and ADOT enforcement of vehicle safety requirements and maintenance of transportation facilities within 25 miles of the Arizona-Mexico border, retroactive to June 30, 2007.

Special Line Items

New Third Party Funding

The budget provides \$769,700 and 18 FTE Positions for New Third Party Funding in FY 2008. This amount consists of:

Highway User Revenue Fund	232,200
Motor Vehicle Liability Insurance Enforcement Fund	197,200
State Highway Fund	262,100
Vehicle Inspection and Title Enforcement Fund	78,200

These amounts fund the following adjustments:

Statewide Adjustments

The budget provides an increase of \$36,400 in FY 2008 for statewide adjustments. This amount consists of:

Highway User Revenue Fund	9,700
Motor Vehicle Liability Insurance Enforcement Fund	8,800
State Highway Fund	14,700
Vehicle Inspection and Title Enforcement Fund	3,200

Third Party Workload

The budget provides an increase of \$97,400 and 2 FTE Positions from the State Highway Fund in FY 2008 for third party workload due to population growth. This should allow ADOT to maintain recent service improvements due to eliminating third party waiting lists. The approved amount includes \$13,400 in one-time equipment.

One-Time Costs

The budget provides a decrease of \$(53,600) in FY 2008 for one-time equipment. This amount consists of:

Motor Vehicle Liability Insurance Enforcement Fund	(13,400)
State Highway Fund	(26,800)
Vehicle Inspection and Title Enforcement Fund	(13,400)

Monies in this line item provide funding for an additional 18 FTE Positions to address workload backlogs and waiting lists for certain third parties. The Third Party

Section has increased from 37 FTE Positions in FY 2005 to 55 FTE Positions in FY 2008. As a result, ADOT has removed the moratorium on new title and registration, vehicle identification number inspection third parties, and commercial and non-commercial driver schools and examiners.

The budget footnote changes the frequency of progress reports from quarterly to semiannual. JLBC is required to review ADOT progress in increasing third party transactions, the status of MVD third party staffing, workload and quality assurance backlog. The semiannual progress report shall also include the number of existing third parties and the number of entities on any third party waiting lists. The semiannual report shall address title and registration, vehicle identification number inspection, commercial driver license examination, noncommercial driver license examination, commercial driver training school, noncommercial driver training school and traffic survival school. The reports are due by January 30, 2008 and July 30, 2008. (*See footnote 2.*)

Abandoned Vehicle Administration

The budget provides \$1,039,800 and 23 FTE Positions from the State Highway Fund for Abandoned Vehicle Administration in FY 2008. This amount funds the following adjustments:

Statewide Adjustments

The budget provides an increase of \$41,300 from the State Highway Fund in FY 2008 for statewide adjustments.

One-Time Costs

The budget provides a decrease of \$(20,300) from the State Highway Fund in FY 2008 for one-time equipment.

Monies in this line item provide for administrative functions concerning abandoned vehicles including maintaining records, mailing notices, and paying towing fees for vehicles on public land.

Fraud Investigation

The budget provides \$993,400 and 11 FTE Positions from the State Highway Fund for Fraud Investigation in FY 2008. This amount funds the following adjustment:

Fraud Investigation

The budget provides an increase of \$993,400 and 11 FTE Positions from the State Highway Fund in FY 2008.

Monies in this line item provide for investigation of fraudulent drivers license and motor vehicle documents. In addition, the operating budget provides an increase of \$192,000 from the State Highway Fund in FY 2008 to reclassify 64 existing operating budget FTE Positions as lead fraudulent document specialists. (*See Fraudulent Document Staff Reclassification for additional information.*)