# Budget Savings Options 2020

**Agency:**  *Department of Licensing (Agency 240)*

| Agency Priority H, M, L | Impact 1-5 | Program/Activity | Transportation Funds | | | | | | FTE Change | | Brief Description and Rationale | Effective Date (MM/YY) | Impacts of Reductions and Other Considerations | Law/Reg. Change Required (cite) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Fund | FY 20 | FY 21 | FY 22 | FY 23 | | FY 20 | FY 21 | | | | |
| | 1 | Projected staffing cost savings | 106 | | 1,813,000 | - | - | | 0 | (12.5) | One time projected saving due to hiring freeze and anticipated I-976 impacts | 7/20 | Projected savings for positions not included in functional areas eliminated below. | |
| | 1 | Projected staffing cost savings | 108 | | 394,000 | - | - | | 0 | (3.5) | One time projected saving due to hiring freeze | 7/20 | Projected savings for positions not included in functional areas eliminated below. | |
| L | 1 | Residual variance from credit cards. | 108 | | $900,000 | - | - | | 0 | 0.0 | Residual funds related to credit card operations | 7/20 | New Fund 024K was created to capture credit card expenses. This is one-time residual in Fund 108. | |
| L | 1 | Administration | 106/108 | | 695,000 | 695,000 | 695,000 | | 0 | (7.0) | Eliminate positions in headquarters administration areas | 7/20 | Less administrative support to business areas. | |
| L | 1 | Consolidate office space | 108 | | 152,000 | 304,000 | 304,000 | | | | Eliminate rent for agency's Bristol Court building. | 1/21 | Efficiency measure based on above and allowing more telework. | |
| M | 2 | REAL ID public education | 106 | | $700,000 | - | - | | 0 | 0.0 | Eliminate funding to provide REAL ID education campaign | 7/20 | Public education funding has not yet been committed.  The REAL ID enforcement date was moved out one year to October 2021. Cut will mean less education to the public. | |
| M | 1 | Enterprise Project Management Office | 106/108 | | 156,000 | 186,000 | 186,000 | | 0 | (2.0) | Eliminate two positions in the agency's Enterprise Project Management office. | 9/20 | Less support for large agency projects. DOL may need to delay or stop projects for budget reasons. | |
| M | 1 | Driver and vehicle investigations | 106 | | 500,000 | 885,000 | 885,000 | | 0 | (8.0) | Reduce staff that conduct driver and vehicle transactions, such as vehicle  tax evasion. | 9/20 | Potential for some reduction in state and local revenues, cannot calculate amount. | |
| M | 1 | Prorate and fuel tax | 108 | | 400,000 | 665,000 | 665,000 | | 0 | (4.0) | Reduce prorate and fuel tax staff. | 9/20 | Longer time to complete audits. Longer customer response times. Potential delayed revenue collection (cannot calculate). | |
| M | 1 | Vehicle dealer investigations | 108 | | 400,000 | 687,000 | 687,000 | | 0 | (4.0) | Reduce vehicle dealer investigation unit staff. | 9/20 | Slower vehicle dealer investigations and complaint response time. | |
| H | 2 | Data stewardship | 106/108 | | $160,000 | 0 | 0 | | | (2.0) | Due to hiring freeze, delays in Data Stewardship program development and implementation | 7/20 | Delay in implementation of data stewardship efforts. | |
| H | 2 | Driver and vehicle records | 106 - Approx: 70% 108 - Approx: 30% | | 500,000 | 1,306,000 | 1,306,000 | | 0 | (19.5) | Reduce staff in driver and vehicle records | 9/20 | Slower processing of collision reports. Slower issuance of restricted licenses. Increased time to issue licenses to persons who have a record issue from another state. Eliminate out-of-state abandoned vehicle lookups for tow truck operators. | |
| H | 2 | Back office support for driver licensing | 106 | | 350,000 | 900,000 | 900,000 | | 0 | (9.8) | Reduce back office support for driver licensing. | 9/20 | *Slower updates to driver licensing policies and procedures. Reduced technical assistance to driver licensing offices and their customers. | |
| M | 3 | CDL skills testers and sites | 106 | | 300,000 | 866,000 | 866,000 | | | 0 (8.0) | Eliminate state CDL skills testers and sites. | 9/20 | *Increased risk of fraud by relying solely on third party testers. | |

| Priority | Impact | Activity | Code | | Amount 1 | Amount 2 | Amount 3 | | FTE | Description | Date | Notes | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| H | 2 | Paper vehicle renewal notices | 108 | | 1,875,000 | 1,875,000 | 1,875,000 | 0 | 0.0 | Eliminates long-standing practice, public used to receiving notices. | 7/20 | *About 10% of customers are signed up for email renewal reminders. Likely delayed and reduced revenue (cannot calculate). More people with expired tabs, which has an impact to WSP and local law enforcement. Significant customer dissatisfaction. | |
| H | 2 | Paper (postcard) driver license renewal notices | 106 | | 100,000 | 100,000 | 100,000 | 0 | 0.0 | Eliminates long-standing practice, public used to receiving notices. | 7/20 | *Likely delayed and reduced revenue (cannot calculate amount). More people with expired tabs, which has an impact to law enforcement. Significant customer dissatisfaction. | |
| | 2 | Support for county auditors and subagents | 108 | | 200,000 | 350,000 | 350,000 | 0 | (5.0) | Reduce staff that support county auditors and subagents. | 9/20 | Longer response times/less service to county auditors and subagents. | |
| H | 2 | Driver training school program | 106 | | 350,000 | 588,000 | 588,000 | 0 | (7.7) | Reduce staff in driver training school program. | 9/20 | Reduced quality and frequency of driver training school audits. Stop work on improving driver training school curriculum and skills and knowledge test | |
| H | 3 | Customer Assistance | 106 | | 500,000 | 700,000 | 700,000 | 0 | (8.0) | Eliminate unit that allows customers to get help via email. | 9/20 | *Would drive about 520 emails a day to calls, resulting in significantly longer call wait times. | |
| L | 4 | Eliminate hard copy driver guides | 106 | | $250,000 | $250,000 | $250,000 | 0 | 0.0 | Eliminate hard copy driver guides | 7/20 | Significant customer impact. Although guide is on our Web site, a lot of people rely on hard copies. DOL prints about 500,000 guides a biennium in 7 languages. | |
| H | 4 | Driver licensing office closures | 106 | | 12,206,000 | 12,206,000 | 12,206,000 | 0 | TBD | Close drivers licensing offices across the state | TBD | *Closing 12 driver licensing offices that serve 65% of customers. To achieve this level of cut, it includes larger offices. that serve larger population centers. | |
| | | Summary Total | | | 22,901,000 | 22,563,000 | 22,563,000 | - | (101.00) | | | | |

*These impacts are under-stated because DOL does not have the data at this time to calculate the additional impacts given COVID-19. DOL's driver licensing offices have been closed since late March, except for limited commercial driver services. As DOL re-opens its driver licensing offices, it will be operating with a significant backlog and reduced capacity.

**Priority**:

L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

**Impact:**
1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)