



COMMONWEALTH of VIRGINIA

*Joint Legislative Audit and Review Commission
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A Resolution of the Joint Legislative Audit and Review Commission directing staff to review the Department of Motor Vehicles.

Authorized by the Commission on September 8, 2014

WHEREAS, the Joint Legislative Audit and Review Commission has not previously undertaken a review of the Virginia Department of Motor Vehicles; and

WHEREAS, the Virginia Department of Motor Vehicles has been responsible for vehicle titling and registration, driver licensing, and maintaining driver and vehicle records; as well as collecting Virginia's fuel tax, monitoring the trucking industry, and serving as Virginia's highway safety office; and

WHEREAS, the Virginia Department of Motor Vehicles has been granted broader responsibilities through its involvement in identity management and authentication, and state residency validation; and

WHEREAS, the Virginia Department of Motor Vehicles collects \$2.2 billion in revenue and has an operating budget of \$234 million and authorized staffing level of 2,038; and

WHEREAS, the Virginia Department of Motor Vehicles has more daily face-to-face contact with Virginia's citizens than any other state agency, and also services businesses including vehicle dealers, fuel tax customers, rental companies, and driving schools; and

WHEREAS, the Virginia Department of Motor Vehicles has relationships with several state agencies, including the State Board of Elections, and with many local governments, providing one-stop services to citizens at 57 "DMV Select" service centers, where local governments and private entities contract with the Virginia Department of Motor Vehicles to conduct more than 500,000 transactions annually; and

WHEREAS, the Virginia Department of Motor Vehicles operates 75 customer service centers, some of which are located in state-owned buildings, others are located in privately-owned facilities and leased by the state; and

WHEREAS, Virginia's total population is projected to become more diverse, increase by more than 500,000 people over the next decade, and include more drivers over age 65; and these changes will affect regions and localities differently; and

WHEREAS, the Virginia Department of Motor Vehicles handles transactions that include personally identifiable and sensitive information, such as birth records; now, therefore be it

RESOLVED by the Joint Legislative Audit and Review Commission, That staff be directed to review the Department of Motor Vehicles. In conducting its study, staff shall (i) assess the number, roles, and allocation of staff; (ii) assess the mix of in-person, paper-based, and online transactions and whether they provide timely, accurate, and cost-effective services; (iii) assess the cost-effectiveness of the portfolio of state-owned and rented facilities, particularly in higher cost regions of the state; (iv) review the agency's role in identity management; (v) assess the effectiveness of coordination with other agencies and local governments, and level of satisfaction of citizens and businesses; (vi) review the extent of, and reasons for, variation in cost per transaction, accuracy, wait times, and other key measures, across service centers; (vii) identify practices that should be considered for replication or expansion; (viii) review the short- and long-term impact of changing state demographics—including an increasing an aging and growing population, and increases in numbers of customers with limited English proficiency—on funding, costs, structure, and services; (ix) review the structures and approaches other states use for their DMV function; and (x) review any other issues as appropriate.

All agencies of the Commonwealth, including the Department of Motor Vehicles, Department of Medical Assistance Services, Department of Social Services, Department of Health, State Board of Elections, Virginia Information Technologies Agency, Department of General Services, and Department of Human Resource Management shall provide assistance to the Joint Legislative Audit and Review Commission for this study, upon request. The Department of Motor Vehicles shall furnish information, including departmental records, to JLARC staff as requested in accordance with §§ 30-59, 30-69, and 46.2-209 of the Code of Virginia.

The staff shall complete its work and submit a report of its findings and recommendations to the Commission by December 15, 2015.