

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82



Fiscal Year 2020-21 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS
(FORM B1)**

For FY 2020-21, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
<input type="checkbox"/>	Requesting Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**NON-RECURRING
REQUESTS
(FORM B2)**

For FY 2020-21, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
<input checked="" type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**CAPITAL
REQUESTS
(FORM C)**

For FY 2020-21, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects.
<input checked="" type="checkbox"/>	Not requesting any changes.

**PROVISOS
(FORM D)**

For FY 2020-21, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

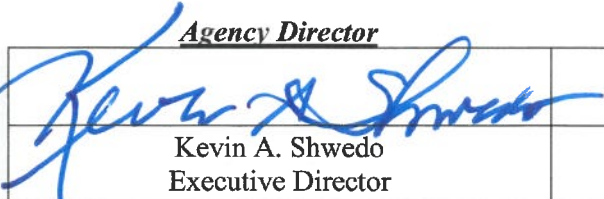
**PRIMARY
CONTACT:
SECONDARY
CONTACT:**

<i>Name</i>	<i>Phone</i>	<i>Email</i>
Ralph Bailey	803-896-9671	Ralph.Bailey@SCDMV.net
Kristin Wicker	803-896-3844	Kristen.Wicker@SCDMV.net

I have reviewed and approved the enclosed FY 2020-21 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:

TYPE/PRINT NAME:

<i>Agency Director</i>	<i>Board or Commission Chair</i>
 Kevin A. Shwedo Executive Director	

This form must be signed by the agency head – not a delegate.

Fiscal Year 2020-21 Budget Request Executive Summary

Agency Code: R400
 Agency Name: Department Of Motor Vehicles
 Section: 82

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Phoenix III Modernization	24,500,000				24,500,000					0.00
2	B1 - Recurring	SCDMV Career Pathing Plan	9,800,000				9,800,000					0.00
3	B1 - Recurring	Cyber Insurance	80,000				80,000					0.00
4	B1 - Recurring	IMF Quality Assurance Team	204,500				204,500	4.00				4.00
5	B2 - Non-Recurring	Real ID			4,200,000		4,200,000					0.00
6	B2 - Non-Recurring	Motor Carrier System Upgrade - 15% Grant Match	268,300				268,300					0.00
7	B1 - Recurring	FTE Reclassifications					0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			34,852,800	0	4,200,000	0	39,052,800	4.00	0.00	0.00	0.00	4.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	SCDMV Equitable Compensation and Employee Retention Career Pathing Plan
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$9,800,000 Federal: Other: Total: \$9,800,000
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

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ACCOUNTABILITY OF FUNDS	<ul style="list-style-type: none"> 1.1 Ensure the average initial wait time for a customer stays below 20 minutes per business day 1.2 Ensure Revenues collected are distributed in order to provide financial support to outside organizations 1.3 Reduce backlogs to ensure a five-business-day turnaround standard 2.1 Increase amount of services available online 2.2 Secure legislative support for modernization and efficiency efforts 2.3 Leverage partnerships for deliverability of products and services 3.1 Increase SCDMV security posture of our network infrastructure for B2B transactions to better protect SC citizens data 3.2 Maintain and increase internal and external auditing functions 3.3 Retain effective measures to reduce fraud and introduce new measures when appropriate 4.1 Emphasize career development and employee retention within the SCDMV 4.2 Continue to request funding for employee increases and educational opportunities 4.3 Continue existing recognition program
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	SCDMV Employees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

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JUSTIFICATION OF REQUEST

South Carolina Department of Motor Vehicles Budget Submission High-Level Overview

The South Carolina Department of Motor Vehicles (SCDMV) is requesting \$9.8 million in order to create an Equitable Compensation and Employee Retention Career Pathing Plan that would consist of reclassifications, salary adjustments and step increases based on years of service. Consideration and approval of the additional funding would allow the SCDMV to address its high turnover rate and associated costs. Departing employees continue to emphasize to the agency that SCDMV salaries are non-competitive with other state agencies positions that accomplish comparable work. By recognizing the importance of the work employees do at the SCDMV in protecting the personal information of and serving nearly every individual adult South Carolinian, the agency will be better able to retain our most experienced and critical-need employees.

Key Considerations Detailed in this Request

- Currently, SCDMV is not able to offer career pathing plans for employees due to the agency’s insufficient personnel budget, which came from its long-standing status as a non-appropriated agency.
- Pay equity and salary compression are issues due to the difference of salaries, wherein newly joined employees earn close to the same as more experienced employees do.
- Turnover has a detrimental effect on the agency, as we are losing a third of our employee base each year.
- Approximately 70 percent of SCDMV positions are paid less than the state average salary amount for similar positions in the same classification.
- We are competing not only with all other state agencies, who pay more than we do in most job classifications, we are competing externally with the private sector.
- SCDMV’s overall compa-ratio is 85 percent, which is in the bottom third of all state agencies.
- The entry level, Customer Service Representatives (CSRs) are incorrectly classified as Administrative Assistant AA50’s. SCDMV would like to partner with the Division of State Human Resources (DSHR) to appropriately classify this large group of employees, as well as increase this position’s starting salary from \$25,000 to \$28,000 annually, to be in line with the state’s average salary for this classification, which is approximately \$28,800
- The transaction count in SCDMV Branch Offices has increased by 17 percent over the past six years and the agency has not increased its headcount to keep up with this demand.

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South Carolina Department of Motor Vehicles Budget Submission Justification

The South Carolina Department of Motor Vehicles (SCDMV) would like to request additional recurring funding in order to create a Career Pathing Plan for our employees for equity and retention purposes. With this additional funding, in partnership with DSHR, SCDMV will create a Career Pathing Plan for our employees that will help us to retain our talented employee workforce. SCDMV consistently invests hundreds of hours of detailed and extensive training into our employees, equating to thousands of dollars per employee in onboarding and turnover costs. SCDMV is requesting \$9.8 million in order to create a Career Pathing Plan that would consist of reclassifications, salary adjustments and increases based on years of service. The breakdown of this \$9.8 million request is \$7.3 million for the costs associated with the Career Pathing Plan and the remainder \$2.5 million would be to cover associated fringe costs.

SCDMV’s low pay rates make it extraordinarily difficult to compete with other State Agencies and private industry and as such, the agency experiences an extremely high turnover rate annually. In order to maintain our exceptional customer service, retain a qualified workforce, and reduce training costs for approximately a third of our workforce annually, SCDMV would appreciate your consideration of our request. While SCDMV recognizes \$9.8 million is a large sum of money, this amount is being requested to create a career pathing plan that includes: locality increases, promotional increases, step increases to reward employees for time with the agency and salary adjustments to recognize specialty services such as being certified in international services and being multi-lingual.

SCDMV would like to raise the starting salary of our front line, public facing, mission critical positions from \$25,000 to \$28,000 annually, to include increases based on location, specialized services and years of experience with the agency. The average state salary for employees in the AA50 classification is approximately \$28,800 annually, according to DSHR. The SCDMV has the largest population of employees in this classification, which is close to 550 FTE’s. By raising the salaries of our AA50 CSR’s, SCDMV also has to take into account the compression and equity concerns throughout the agency. To address this across the agency, SCDMV would like to implement an equitable compensation and employee retention career pathing plan agency wide. The breakdown of the \$9.8 million request goes as follows:

- Approximately \$4.6 million will be utilized to address the pay equity and compression concerns in SCDMV Branch Offices, to include the majority of the AA50 CSR positions, approximately 380.
- Approximately \$2.7 million will be utilized to address the pay equity and compression concerns within SCDMV Headquarters, which also includes over 170 AA50 CSR positions.
- The remaining \$2.5 million will be utilized to cover the fringe costs associated with this plan.
- To address the classification concern within SCDMV Branch Offices, we propose approval to reclassify the below positions as follows:
 - AA50 Band 03→JA90 Band 03
 - JA90 Band 03→JA92 Band 04
 - JA92 Band 04→JA95 Band 05
 - AA75 Band 04→AH35 Band 05
 - AH10 Band 05→AH40 Band 06
- To address the compression concerns within the entire agency, wherein newly

joined employees earn close to the same as more experienced employees do, SCDMV would like to implement an initial step increase for time in position as follows:

- 1 year = 3%
- 2 to 4 years = 6%
- 5 to 7 years = 7%
- 8 to 10 years = 8%
- 11 to 15 years = 10%
- 16 to 19 years = 12%
- 20 + years = 15%
- SCDMV will be collaborating with DSHR to accurately assess the remaining positions at Headquarters to implement reclassifications and specialized service increases where needed and applicable. This will better align SCDMV salaries with the state salary averages for comparable positions and appropriate classifications.

SCDMV Historical Information and Current Revenue Collected for the State

In June 2003, SCDMV became a stand-alone cabinet agency reporting to the Governor. Prior to this time, SCDMV had been a division within several other state agencies (Department of Revenue, Department of Transportation, and Department of Public Safety). When SCDMV converted from a division within an agency to a stand-alone agency, salaries remained the same. For example, at the time, the salary of the Deputy Director of the Division of Motor Vehicles stayed the same and became the salary of the Executive Director of the Department of Motor Vehicles. As such, all other salaries remained in line.

Additionally, prior to FY2017, SCDMV was a non-appropriated state agency and received no state appropriated dollars. During the timeframe of 2003 to 2017, when the state would pass a cost of living adjustment (COLA), SCDMV had to absorb the cost of \$8.4 million within our budget, as the agency was not given general funds to cover the increase. Each percentage point given as the COLA, increased SCDMV’s salary and fringe cost by \$500,000. Likewise, operating cost were increasing with no increases in fees. Given the fact that SCDMV was a non-appropriated state agency up until three years ago and had to absorb all increases in costs with current revenue streams, the agency has been unable to sustain the state salary average in almost every job class.

For FY2019, SCDMV collected \$668 million for our state and dispersed \$642.3 million to other state agencies as well as non-state agencies, colleges, universities and special interest groups. Some of the state agencies that receive SCDMV collected revenues are: SC Department of Transportation—\$417 million, State Infrastructure Bank—\$123 million, SC Department of Education—\$40 million, State Treasurer’s Office—\$28 million and SC Department of Public Safety—\$19 million. SCDMV retained only \$2.7 million out of the \$668 million revenues collected after deducting \$4 million for plate replacement. As information, the revenue that SCDMV collects has doubled with the passing of the roads bill.

SCDMV Current Day and Challenges Faced

SCDMV currently has 1309 classified positions and six unclassified positions. Our total personnel budget currently is \$62.7 million (total salary plus fringe) and our average agency annual salary is \$31,100. When comparing this to other cabinet agencies of similar size or even smaller, the personnel budgets and average agency annual salaries

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are disproportionate. The total agency turnover for FY2019 totaled 30 percent. The largest staffed division within our agency, Branch Services, experienced a 32 percent turnover rate for FY2019. Approximately 70 percent of SCDMV positions are paid less than the state average salary amount for similar jobs in the same classification. It is also important to note that because SCDMV has not had the funding, employees who have been here 20+ years are making almost the same as employees working for less than a year, doing the exact same job. This can be extremely demotivating to our tenured employees who have to carry the burden of knowledge as well as continually train all new employees who are on-boarded. We are competing not only with all other state agencies, who pay more than we do in most job classes, we are competing externally with the private sector. Given the inequity in salaries when compared to private and public sector, the SCDMV simply cannot compete.

When comparing this to other cabinet agencies of similar size or even smaller, the personnel budgets and average agency annual salaries are disproportionate. A comparable agency, SC Department of Natural Resources (DNR) currently offer their AA50 employees a higher starting wage, offer step increases for time in position for employees and a career path for growth and development. SCDMV currently cannot offer any type of time in position increases or career path options for its employees. Additionally, DNR's average agency salary is \$42,420 with 924 FTEs, the DMV's average is \$31,100, with 1315 FTE's.

Below are a few additional agencies and their average salary and FTE headcount:

- Dept. of Admin—Average Salary=\$55,132 with 654 FTEs
- Dept. of Public Safety—Average Salary=\$44,983 with 1514 FTEs
- Parks, Recreation & Tourism—Average Salary=\$37,339 with 405 FTEs
- Dept. of Juvenile Justice—Average Salary=\$36,191.32 with 1490 FTEs
- SCDMV—Average Salary=\$31,100 with 1315 FTEs

According to the [Classification and Compensation System Study Project](#) that the state funded in 2016, one major focus on this report is the compa-ratio formula. The compa-ratio formula is commonly used by human resource professionals to assess the competitiveness of an employee's pay level. It is the salary expressed as a percentage of the mid-point of a pay band. SCDMV's overall compa-ratio is 85 percent, which is in the bottom third of all state agencies. The executive summary portion of this report states "when viewed in conjunction with a comparison with the market, shows current salaries lagging other States by an average of 15%, lagging the in-State public sector market by 16% and lagging the in-State private sector market by 18%, means that the State's pay band midpoints and actual pay is uncompetitive. This creates challenges both in recruitment and retention of qualified employees." The report also states, "Unlike in some other States where the overall competitiveness of the benefits package offsets the level of competitiveness of salaries, this is not the case for the State. While annual leave and holidays are above market, the 8.16% employee contribution to the retirement plan is the highest in the Southeastern States and significantly higher than employee contributions to defined benefit plans in the private sector." Please note that this employee contribution increased since this study was completed and is now 9 percent. The report also states, "The employee cost sharing of 21.3% for healthcare is above the 7-15% in other State Governments and in line with the 15-29% in the private sector. The analysis shows that the level of competitiveness of benefits should not be a distraction from dealing with the main focus of the recommendations, that being a redesign of the classification and compensation plan and a move towards funding of

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salaries to a more competitive level.” For entry-level positions at SCDMV, who on average make approximately \$12 an hour, the take home pay amount is staggeringly low. For a married employee who has family medical coverage, her gross earnings per paycheck equals \$1,041. Her total deductions per paycheck, which includes her 9 percent retirement deduction, family medical costs and life insurance, equals \$317 with \$173 going to taxes. Her net pay per paycheck is \$551. For a single employee who has medical coverage for himself only, his gross earnings per paycheck equals \$1041. His total deductions per paycheck equals \$158, with taxes being \$165, making his net pay per paycheck \$718.

The largest group of SCDMV employees, the entry level Customer Service Representatives (CSRs) are incorrectly classified as Administrative Assistants (class code AA50). These are public facing, mission critical positions and the complexity of the various roles in our Branch Offices and in Headquarters increase substantially from there. SCDMV struggles to compete internally with other state agencies, as the majority of agencies have AA50’s in administrative/secretarial type roles that have duties such as answering the telephone, typing up word documents, responding to emails, etc. The type of responsibility that is placed on CSR’s, more closely aligns with the paralegal classification as it pertains to interpreting law and making critical decisions with the private and secure information for the citizens of South Carolina. The employees in our Branch Offices and Headquarters have to know over 400 transaction types that heavily involve interpreting law and analyzing critical customer data. SCDMV has requested to be a part of next year’s classification study with DSHR to either create our own classification series to align more properly with the work our employees do or edit the classification series for our License Examiners (JA90/JA92/JA95), to better align with all positions in our Branch Offices.

The transaction count in SCDMV Branch Offices has increased by 17 percent over the past six years and the agency has not increased its headcount to keep up with this demand. With the very high turnover amount and increase in transactions, the majority of our Branch Offices cannot properly schedule time off for our employees. SCDMV employee morale is adversely impacted by the pay inequities and increase in transaction counts. SCDMV employees raise concerns through exit surveys about inadequate pay for the work that they do. Employees also raise concerns around not being able to use their earned state benefit of annual and sick leave. These employee concerns are due to the demands that turnover and the increase in transaction count have placed on our employees. We require our Branch Offices to meet the 20-minute wait time standard and management struggles to allow employees to take off the time that they desire and need. Just in the Branch Services division alone, as of September 2019, the annual and sick leave balance for our 739 employees equals 336,007 hours. This number represents approximately 12 weeks of annual and sick leave that each of these 739 employees have not been able to use. In addition, for FY2019, 150 SCDMV employees had to forfeit 4,112 hours, due to not being able to take their annual and sick leave. The impacts of pay inequity and employees not being able to take their earned annual and sick leave result in low morale across the agency.

The agency strives every day to meet and exceed our strategic goals and deliver exceptional customer service. The details of SCDMV’s Strategic Plan are outlined on the last portion of this document. Meeting these critical deliverables has become challenging, given the increase in transactions, high turnover rates, and overall low employee morale. The work that SCDMV does is critical for our state. Consideration

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and approval of the additional funding would allow the SCDMV to address its high turnover rate and associated costs. Departing employees continue to emphasize to the agency that SCDMV salaries are non-competitive with other state agencies positions that accomplish comparable work. By recognizing the importance of the work employees do at the SCDMV, in protecting the personal information of and serving nearly every individual adult South Carolinian, the agency will be better able to retain our most experienced and critical-need employees. Thank you for your consideration of this very critical agency request.

South Carolina Department of Motor Vehicles Mission and Vision

SCDMV’s mission is to administer the State’s motor vehicle licensing and titling laws by maintaining strict controls to deliver secure and valid identification, licenses, property records, all while accurately accounting for the receipt and timely distribution of all revenue collected in order to best serve our citizens. Our vision is to be a model state agency who delivers exceptional customer service and promotes effective and efficient business processes, professional employees, innovative technology and strategic partnerships.

SCDMV’s Strategic Goals and Performance Measures

1. Deliver an excellent customer service experience while upholding the existing laws that govern agency operations.
 - Ensure the average initial wait time for a customer stays below 20 minutes per business day.
 - Ensure Revenues collected are distributed in order to provide financial support to outside organizations.
 - Reduce backlogs to ensure a five-business-day turnaround standard.
2. Modernize customer delivery service methods
 - Increase amount of services available online
 - Secure legislative support for modernization and efficiency efforts
 - Leverage partnerships for deliverability of products and services
3. Minimize the risk of fraud and breaches .
 - Increase SCDMV security posture of our network infrastructure for B2B transactions to better protect SC citizen’s data.
 - Maintain and increase internal and external auditing functions.
 - Retain effective measures to reduce fraud and introduce new measures when appropriate.
4. Invest in employees through development and recognition opportunities
 - Emphasize career development and employee retention within the DMV.
 - Continue to request funding for employee increases and educational opportunities.
 - Continue existing recognition program

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Cyber Insurance
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$80,000 Federal: Other: Total: \$80,000
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	None
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input checked="" type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

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ACCOUNTABILITY OF FUNDS	<p>3.1 Increase SC DMV security posture of our network infrastructure for B2B transactions to better protect SC citizens data</p> <p>3.3 Keep effective measures to reduce fraud and introduce new measures when appropriate</p>
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	Vendors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>Cyber Liability Insurance is necessary for the Department of Motor Vehicles to mitigate any losses caused by damage, theft, disruption or corruption of electronic data due to a cyber-attack. Cyber liability insurance is designed to cover losses related to hacking that other insurance policies will not cover.</p> <p>Cyber Attacks have become a prominent threat to public organizations that store Personally Identifiable Information (PII) and the Department of Motor Vehicles has taken adequate precautions to ensure the security of our PII by participating in Cyber Security Awareness Training and Cyber Security initiatives.</p> <p>Even with the precautions taken by DMV, cyber-attacks remain a relevant threat to our agency and the citizens of South Carolina. An example of this would be the South Carolina Department of Revenue (SCDOR) data breach resulting in the theft of 3.6 Million taxpayers' social security numbers and as a result, the State of SC incurred ~\$24 Million in damages/losses.</p> <p>An \$80,000 annual premium will provide \$10M in coverage.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Infrastructure Maintenance Fee Quality Assurance Team
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$204,500 Federal: Other: Total: \$204,500
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	4
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

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ACCOUNTABILITY OF FUNDS	<p>1.2 Ensure Revenues collected are distributed in order to provide financial support to outside organizations</p> <p>3.2 Maintain and increase internal and external auditing functions</p> <p>3.3 Keep effective measures to reduce fraud and introduce new measures when appropriate</p>
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	DMV Employees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>DMV is requesting four (4) new positions within the Infrastructure Maintenance Fee (IMF) section to assist with the Quality Assurance inspections and reconciliation of dealer sales records for the IMF Program. These positions would consist of three (3) AA75 Administrative Assistants and one (1) AH-30 Program Assistant (QA Manager).</p> <p>DMV currently has one (1) Administrative Assistant that performs quality reviews of IMF transactions. In four months this employee has identified approximately \$300,000 in IMF revenue that was not collected.</p> <p>Due to the time and research required, our current employee has only been able to review between 5%-10% of the total transactions. Adding four positions to this staff will allow DMV to maintain a quality review of approximately 50% of the total IMF and Road Use Fee transactions. Current data show the potential to recover over one million of IMF dollars owed.</p> <p>Maintaining a 50% review capability should significantly reduce lost revenue and improve Dealer transactions by reducing potential errors or fraud.</p> <p>Annual salaries with fringe benefits for three (3) Administrative Assistants is \$147,900. Annual salary with fringe benefits for one (1) Program Assistant is \$56,550.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	7
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	FTE Reclassifications
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Provide a brief, descriptive title for this request.

AMOUNT	General: Federal: Other: Total: \$0
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input checked="" type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

ACCOUNTABILITY OF FUNDS	4.1 Emphasize career development and employee retention within the DMV
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	DMV employees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>Convert Attorney V position 60029683 from Classified to Unclassified. A form BD211 was submitted and approved in 2017 to convert the General Council position in Administration (0100.000000.000). DMV was recently informed that a Form B1 is required to make the approval recurring.</p> <p>Convert Program Manager II position 60031468 from Classified to Unclassified. A form BD211 has been submitted to convert the Deputy Director of DMV Customer Service Centers (1000.102000.000) from Classified to Unclassified.</p> <p>No additional appropriations or positions are requested to convert these positions.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Phoenix III Development
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Provide a brief, descriptive title for this request.

AMOUNT	\$24,500,000
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Phoenix is DMV’s internal transaction database and principle information system, containing all of the State’s current and historical vehicle and driver records. Therefore, this request supports all DMV strategies.</p>
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

RECIPIENTS OF FUNDS	Contractors and Vendors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>Phoenix is DMV’s internal transaction database and principal information system. The COBOL-based Phoenix application was developed in the late 1990’s and implemented in August 2002.</p> <p>DMV has applied approximately 11,000 modifications to the Phoenix system since 2004. With over 11,000 modifications, and twenty years of age, Phoenix will become unmaintainable without modernization.</p> <p>The business processing behind Phoenix is hosted in COBOL which is a legacy computer language. COBOL programmers are nearing retirement and are increasingly difficult to replace. Within the next several years, DMV will have very limited staff with experience to maintain and support the existing IT architecture.</p> <p>Without modernization, DMV will have limited ability to implement changes in law and changes required by law enforcement. An unreliable system will also negatively impact our customers.</p> <p>SCDMV, and the State of South Carolina, can no longer delay Phoenix modernization. It is imperative that DMV gains funding to begin this modernization process.</p> <p>DMV is requesting \$24.5M to implement a full system modernization over four to five years. Options for funding include:</p> <ol style="list-style-type: none"> 1) DMV prefers to receive full project funding of \$24.5M in FY21, with ability to carryforward. 2) \$12.25M funding in FY21 and \$12.25M in FY22, with ability to carryforward. 3) \$4.0M in FY21 with additional funding each fiscal year. <p>See next page for itemized cost estimates.</p>
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AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

	<p>Phoenix III Cost Estimates (in millions)</p> <p>\$4.00 Project Management / Administration</p> <p>\$8.00 Retire COBOL. Rewrite / Rehost business processes.</p> <p>\$0.50 Hardware / Infrastructure</p> <p>\$0.50 Development Site - offsite from DMV HQ</p> <p>\$1.50 eForms & Workflow</p> <p>\$0.50 Virtual Customer/Employee Assistant</p> <p>\$2.00 Eliminate Phoenix Client</p> <p>\$0.50 Omni Channel (Kiosks, Mobile)</p> <p>\$1.00 Testing Support</p> <p>\$0.75 Supportability Improvements</p> <p>\$1.25 Performance Monitoring</p> <p>\$1.50 Disaster Recovery - upgrades to existing DR</p> <p>\$2.50 Credential Issuance - full CI</p> <p>\$24.50 Total Cost</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	5
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Real ID
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Provide a brief, descriptive title for this request.

AMOUNT	\$4,200,000
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/>	Request for Non-Recurring Appropriations
<input checked="" type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	1.1 Ensure the average initial wait time for a customer stays below 20 minutes per business day
	1.2 Reduce backlogs to ensure a five-business-day turnaround standard
	2.1 Increase amount of services available online
	This request enables DMV to comply with the provisions of Real ID.

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

RECIPIENTS OF FUNDS	DMV employees and vendors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>The federal deadline for Real ID is October 1, 2020 (State of SC FY2020-21). DMV expects a high level of requests for Real ID's as the federal deadline approaches. DMV also expects high levels of requests after the federal deadline, when citizens realize they can no longer use their non-Real ID credentials for federal identification (air travel).</p> <p>DMV originally requested Real ID funding for three years – FY18 through FY20. Our original request was based on South Carolina citizens proactively obtaining Real ID credentials. However, DMV data suggests that many of our citizens have procrastinated obtaining their Real ID credentials. Based on current trends, we project to have over One Million outstanding Real ID requests at the end of FY20.</p> <p>DMV is requesting \$4.2 million in Earmarked Authority to continue our Real ID program through FY21.</p> <table border="0"> <tr> <td>Salaries/Employer Contributions</td> <td>\$2,920,000</td> </tr> <tr> <td>Credential Supplies</td> <td>\$755,000</td> </tr> <tr> <td>Travel/Mileage</td> <td>\$125,000</td> </tr> <tr> <td>Advertising</td> <td>\$150,000</td> </tr> <tr> <td>Software Licenses/Contractual</td> <td>\$250,000</td> </tr> <tr> <td>Total</td> <td>\$4,200,000</td> </tr> </table> <p>It is crucial that DMV receives this earmarked authority. If authority is not received, DMV will not have the resources required to service the high level of Real ID's requested by South Carolina citizens.</p>	Salaries/Employer Contributions	\$2,920,000	Credential Supplies	\$755,000	Travel/Mileage	\$125,000	Advertising	\$150,000	Software Licenses/Contractual	\$250,000	Total	\$4,200,000
Salaries/Employer Contributions	\$2,920,000												
Credential Supplies	\$755,000												
Travel/Mileage	\$125,000												
Advertising	\$150,000												
Software Licenses/Contractual	\$250,000												
Total	\$4,200,000												

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	6
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Motor Carrier System Upgrade - 15% Grant Match
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Provide a brief, descriptive title for this request.

AMOUNT	\$268,300
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
	<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	1.2 Ensure Revenues collected are distributed in order to provide financial support to outside organizations
	2.1 Increase amount of services available online
	2.2 Secure legislative support for modernization and efficiency efforts
	3.2 Maintain and increase internal and external auditing functions

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

RECIPIENTS OF FUNDS	Vendors and contractors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>The current Motor Carrier Services (MCS) system was implemented in May of 2010 and there have been no upgrades since that time. The lack of support and inability to effectively upgrade, impacts modernization efforts. Current, less innovative practices, impacts the efficiency of MCS and the ability to provide services to carriers and to provide updates for law enforcement to support safer South Carolina highways.</p> <p>MCS has applied for a Federal High Priority Grant to assist with advancements in technology. If awarded, the grant will provides \$1,520,438 (85%) of funding needed for the upgrade. MCS requests funding for the remaining \$268,312 (15%). The total cost for the upgrade is \$1,788,750.</p> <p>It is the objective of SCDMV Motor Carrier Services to provide customers with mobile accessibility via Smart Phone or Tablet. In addition to providing a mobile application, it is our desire to provide real time data reporting. Such reporting would enhance law enforcement’s ability to efficiently evaluate the carrier’s safety.</p> <p>The upgrade will allow Federal Motor Carrier Service Administration updates (Out Of Service orders, Tax Identification Number assignments, carrier name changes, USDOT number applications) to be accessible in real time as opposed to waiting 24-48 hours for FMCSA data. Law enforcement will also be able to receive the status of carriers (OOS, suspensions) in real time via CVIEW/SAFER.</p> <p>Efficient and timely data will be provided for all jurisdictions. It is imperative to have innovative and current technical practices to enforce and support motor carrier safety.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM D – PROVISO REVISION REQUEST

NUMBER	82.2
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Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").

Cost Recovery Fee/Sale of Photos or Digitized Images

Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	I. Administration 0100.000000.000
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	No
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Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>The proviso currently authorizes the collection of various fees related to DMV deliverables. The added language sets specific guidance for FOIA fees—since the DMV does not have the authorization to retain those fees, they are currently distributed to the general fund. However, since the DMV is only allowed to charge fees to cover the costs of producing a FOIA, the agency should be able to retain the revenue to cover its costs. The added language in this proviso will accomplish that goal. This was a recommendation supported by our Legislative Oversight subcommittee.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FISCAL IMPACT	<p>Would allow the DMV to retain the reimbursement of costs associated with fulfilling a FOIA request. The general fund would see a very minute decrease, but the DMV would no longer worry about how many FOIA requests may pop up at any given time that could quickly deplete resources.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT	<p>(DMV: Cost Recovery Fee/Sale of Photos or Digitized Images) The Department of Motor Vehicles may collect processing fees and fees to recover the costs of the production, purchase, handling and mailing of documents, publications, records and data sets. <u>The Department of Motor Vehicles may collect and retain fees to defray the costs associated with fulfilling a Freedom of Information Act (FOIA) request.</u> The amount charged by the Department of Motor Vehicles for any fees collected pursuant to this proviso may not exceed the rates that the department charged as of February 1, 2001. The Department of Motor Vehicles may not sell, provide or otherwise furnish to private parties, copies of photographs, whether digitized or not, taken for the purpose of a driver's license or personal identification card. Photographs and digitized images from a driver's license or personal identification card are not considered public records. Funds derived from these sources shall be retained by the department.</p>
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Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM D – PROVISO REVISION REQUEST

NUMBER	82.7
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Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").

TITLE	Phoenix III Migration Pilot
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Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	II. D. Technology & Program Development 1001.400000.000
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	No
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Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.

REQUESTED ACTION	Delete
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Phoenix III Migration Pilot: The existing proviso allows DMV to spend the remainder of \$1,000,000 in Fiscal year 2019-2020.</p> <p>The Phoenix III Migration Pilot will be completed prior to FY2020-21 and the Proviso should be deleted.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FISCAL IMPACT	
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT	<p>82.7. (DMV: Phoenix III Migration Pilot) In Fiscal Year 2019-20, the department shall be authorized to expend the remainder of the \$1,000,000 authorized in the prior fiscal year from any available other earmarked cash balances to conduct a proof-of-concept pilot for Phoenix III development and data migration. Funds may be expended only upon review and approval of the Department of Administration through the IT project governance process established by Proviso 117.113.</p>
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Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM D – PROVISO REVISION REQUEST

NUMBER	82.8
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Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").

TITLE	Real ID
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Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	All SCDMV Areas
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	Yes
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Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>REAL ID: The current proviso allows DMV to expend any earmarked cash reserves, with the exception of the funds designated for the Phoenix III pilot, on REAL ID in 2019-2020.</p> <p>The requested revision seeks approval to reword the proviso to allow DMV to spend the remainder of earmarked cash reserves on REAL ID in 2020-2021, if any exist, since the agency is seeing a trend of public procrastination in purchasing REAL IDs. The agency is projecting a larger impact than originally anticipated after the REAL ID deadline date (10/1/2020) and would like to be able to use any leftover funds to mitigate increased lines and branches with commensurate staffing ability.</p> <p>The Phoenix III pilot should be completed in FY2019-20.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FISCAL IMPACT	<p>No fiscal impacts have been prepared regarding the changes to provisos requested.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISOR TEXT	<p>82.8. (DMV: Real ID) For Fiscal Year 2019-20 <u>2020-21</u>, the Department of Motor Vehicles may expend any available earmarked cash reserves, with the exception of the funds designated for the Phoenix III pilot, on the implementation of Real ID.</p>
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Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM D – PROVISO REVISION REQUEST

NUMBER	82.10
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Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").

TITLE	Minor Identification Card Fees
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Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	II. A. 1. Customer Service Centers 1000.102000.000 II. A. 2. Customer Service Delivery 1000.103000.000
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	No
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Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	Department of Corrections. With the wording revision of the proviso, we would be able to issue ID cards free-of-charge to inmates under their authority.
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Minor Identification Card Fees: The current proviso allows DMV to waive the five dollar fee associated with issuing an identification card to someone less than 17-years-old if the card issuance is through an established partnership with a state or federal agency.</p> <p>The requested revision seeks approval to reword the proviso to allow DMV to waive fees associated with issuing an identification card if the card issuance is through an established partnership with a state or federal agency, regardless of the age of the card holder. This is to conform to the change in law established by H3789 of the 2019 session, which authorized charging for replacement ID card after the initial issuance.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FISCAL IMPACT	<p>No fiscal impacts have been prepared regarding the changes to provisos requested.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT	<p>82.10. (DMV: Minor Identification Card Fees) In the current fiscal year, the Department of Motor Vehicles may waive the five-dollar fee associated with issuing an identification card to someone less than 17 years old if the card issuance is through an established partnership with a state or federal agency.</p>
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Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM D – PROVISIO REVISION REQUEST

NUMBER	82.NEW
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Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").

TITLE	Temporary License Plate Revenue Direction
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Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	II. A. 2. Customer Service Delivery - Plate Replacement
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	No
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Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.

REQUESTED ACTION	Add
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>When S.1083, authorizing a trackable temporary license plate was passed in 2018, the law was silent as to where the revenue collected by the DMV (\$5 per temporary license plate issued) should be distributed. The prior law, when temporary tags were not trackable, authorized the DMV to retain the revenue collected and place it in the Plate Replacement Fund to cover the DMV’s cost of producing and issuing the temporary plates. However, when the law changed to make the plates trackable, it left out any indication of where the revenue should be directed. In the absence of explicit statutory direction, the revenue has since been remitted to the General Fund.</p> <p>To produce the temporary tags, the DMV is using funds from its existing Plate Replacement Fund (which is sourced from the \$2 the DMV retains from the biennial fee on standard license plates to cover the cost of a plate over its 10-year life cycle). By using funds for temporary tags with no revenue entering the account to cover their cost, the DMV’s ability to cover the cost of re-issuing plates will be placed in jeopardy. The DMV and SCADA (the forces behind the bill) both agree that the changes of the law were not meant to alter the DMV’s availability to retain the revenue. Therefore, we respectfully request a proviso be added to allow the DMV to retain the revenue it previously retained for temporary tags as it was inadvertently left out of the law rewrite.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FISCAL IMPACT	<p>Would allow the DMV to retain the cost of the trackable temporary plate it issues. That is statutorily limited to \$5/plate. That covers our cost of production and the revenue would be solely earmarked for the purpose of covering costs of plate replacement.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISIO TEXT	<p>For the current fiscal year, the department shall be authorized to retain the revenue collected from the sale of trackable temporary license plates. The funds shall be placed in the department's Plate Replacement Fund and used solely for the purposes of plate production and reissuance costs.</p>
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Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

**FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION
CONTINGENCY PLAN**

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$2,740,452
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What is the General Fund 3% reduction amount (minimum based on the FY 2019-20 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	None
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT	<p>Customer Service Centers, Administration, Procedures & Compliance (Driver Services), Customer Service Delivery (Vehicle Services), Office of Inspector General, Technology and Program Development</p>
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What programs or activities are supported by the General Funds identified?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

SUMMARY	<p>If the Department is mandated to take a 3% General Fund reduction, DMV would postpone equipment refresh in the amount of \$800,000. Although unsustainable for multiple years, this would prevent a significant impact on customer services in the current year.</p> <p>Secondly, DMV would eliminate temporary employees in the amount of \$1,700,000. The temporary employee reduction would negatively impact customer service by increasing wait times and possibly resulting in long lines at DMV Field Offices around the State.</p> <p>Finally, DMV would eliminate contract employees in the amount of \$240,500. This cut would be detrimental to our services since the agency relies on contract employees for programming revisions to our Phoenix system.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS	<p>DMV is currently testing a program that allows automobile dealers to submit their transactions electronically instead of visiting our field offices. If successful, this program can reduce the workload on our field offices and avoid the need to increase staff.</p> <p>DMV has established a “Third Party Testing” program with driving schools. Authorized driving schools can now administer driving skills tests that previously required DMV License Examiners to perform. During the previous year, Third Party Testers (driving schools) administered 2,133 commercial vehicle (CDL) driving skills tests (2.5 hours per test) and 23,547 class D (automobile) driving skills tests (35 minutes per test). Combined, Third Party Testers administered a total of 19,068 man-hours of driving skills tests. This equates to nine License Examiners that DMV was able to avoid hiring.</p>
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What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Legislative Accomplishments and Upcoming Priorities
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Less burden on our business partners in terms of renewal obligations, more convenient DMV access for the public, and reducing payments of fees and fines.
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What is the expected savings to South Carolina’s businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply: <input checked="" type="checkbox"/> Repeal or revision of regulations. <input checked="" type="checkbox"/> Reduction of agency fees or fines to businesses or citizens. <input checked="" type="checkbox"/> Greater efficiency in agency services or reduction in compliance burden. <input type="checkbox"/> Other
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METHOD OF CALCULATION	
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	In FY19, SCDMV collected and distributed to SCDOT \$32,837,322.58 in fees and fines relating to uninsured motorist. SCDMV intends to increase public awareness of the consequences associated with not maintaining automobile insurance, which may ultimately save South Carolina’s businesses and citizens up to \$400 in fees and fines.
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	The SCDMV intends to seek codification of all three of its regulations after reviewing all provisions within to make sure they reflect industry best practice and are friendly to consumers and business partners. For instance, instead of requiring renewal of third party testing certification annually on June 30, we are looking at requiring it every three years on a rolling basis. This helps businesses reduce paperwork and red tape while allowing the DMV to spread the workload out through less busy times of the year.
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

SUMMARY	<p>DMV's Dealer License and Audit Unit is implementing an information portal for customers on the SCDMV website. This portal will give consumers the ability to review a dealers standing with the agency. It will indicate if the dealer has an active, suspended, or revoked license. The portal will also show if there have been any violations and points accessed to the dealership. This information will help the consumer make a more informed decision prior to purchase.</p> <p>The DMV receives proof of insurance information electronically through a system called ALIR. Prior to the electronic submission, a form called "SR-22" was required to be filled out by an insurance company and submitted to the DMV for higher risk drivers to prove they were insured. This practice is outdated and unnecessary thanks to advances in technology (ALIR), and creates excess work for insurance companies and an additional cost (\$25 to the insurance company) for consumers. We would like to eliminate the practice of submitting "SR 22."</p> <p>When pursuing curbstoners (those who sell five or more cars per year without a dealer's license) or dealers selling out of trust, the DMV refers cases to SLED as the DMV has no enforcement authority. Other states, such as North Carolina, have enforcement authority within the DMV to lessen the burden on law enforcement. The DMV would like authorization to pursue this efficiency, having in house enforcement authority and pursuing those who violate laws within our purview in a timely manner.</p>
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Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?