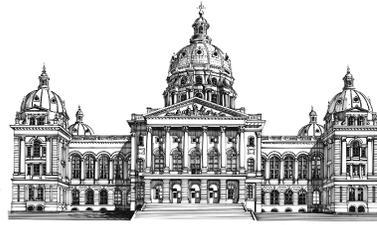

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Des Moines, IA 50319
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Motor Vehicle License Pilot Project

ISSUE

A pilot project was established during the 1993 Legislative Session to allow county treasurer offices to issue motor vehicle licenses. The project was established to assist in determining the feasibility of transferring motor vehicle license issuance activities from the Department of Transportation (DOT) to the county treasurer offices. The DOT, in cooperation with the Iowa State Association of Counties, selected six counties in southwest Iowa to participate in the pilot project. This *Issue Review* is intended to provide an overview of the services provided in the six-county area.

AFFECTED AGENCIES

Department of Transportation

Counties of Adams, Cass, Fremont, Mills, Montgomery, and Page

CODE AUTHORITY

Chapter 169, Section 14, 1993 Iowa Acts

BACKGROUND

The DOT has nine permanent driver license stations that provide services in the urbanized areas of the State six days a week, and 22 itinerant driver license teams that provide service on a rotating schedule in the less populated areas.

During the 1992 Legislative Session a bill was introduced (SF 2026) to transfer all motor vehicle license issuance functions from the DOT to county treasurer offices in all counties of the State. Under this proposal the DOT would retain the administrative authority and provide technical assistance to the counties. In addition, the counties would be reimbursed for administrative costs from fees collected from the issuance of all motor vehicle licenses. A fiscal note estimated a cost increase for operations of \$2.7 million and a first-year cost increase of \$4.6 million which included equipment costs. The bill failed to pass out of the Senate Transportation Standing Committee. During the 1993 Legislative Session language was added to SF 232 (Transportation and Safety Appropriations bill) requiring a pilot project in an area of the State covered by one of the DOT's driver licensing teams. The DOT worked with the Iowa State Association of Counties to identify six southwest Iowa

counties where the pilot project would be implemented. These counties include: Adams, Cass, Fremont, Mills, Montgomery, and Page. The county personnel underwent training in the fall of 1993 and assumed responsibility for issuing licenses January 1, 1994.

During the 1994 Legislative Session the pilot project was extended to June 30, 1995, to allow additional time for the project to operate. In addition, the General Assembly appropriated \$67,500 from the Road Use Tax Fund to reimburse the counties for expenses associated with the project.

While the pilot project is in progress, the DOT staff members of the driver license team where the pilot project is underway, have been temporarily re-assigned to the driver license station in Council Bluffs.

SERVICE IN THE PILOT COUNTIES

DOT SERVICE

The following information describes the DOT's service provided in the six-county area prior to implementation of the pilot project.

Hours and Locations of Service

<u>Communities</u>	<u>Days of Service</u>	<u>Hours of Service</u>	<u>Locations</u>	<u>Rent</u>
Atlantic	every Tuesday	8:15 to 4:00	American Legion	\$50 per visit
Shenandoah	every Wednesday	9:30 to 4:30	Memorial Bldg.	No Fee
Sidney	every other Thursday	10:40 to 4:30	City Hall	No Fee
Clarinda	every other Thursday	10:10 to 4:30	City Hall	No Fee
Corning	every other Friday	10:00 to 4:30	Community Bldg.	\$20 per visit
Glenwood	every other Friday	10:30 to 4:30	Courthouse Lower Level	No Fee
Red Oak	every Saturday	8:30 to 3:00	DOT Resident Office	No Fee

Services Provided

The DOT teams conduct all written knowledge exams including automobile operator, chauffeur, and motorcycle licenses, and tests associated with commercial licenses.

All drive tests, except for Commercial Driver Licenses (CDLs) in certain locations, are conducted during the team's scheduled service to a community. Commercial driver and skills tests were administered in Atlantic, Shenandoah, Glenwood, and Red Oak. Some locations did not meet federal guidelines for CDL testing.

Staffing, Support, and Equipment

The driver license teams are generally staffed with 3.00 FTEs including an Examiner, Clerk IV, and a Clerk Typist III. The following explains the general responsibilities of these positions.

Examiner: Makes determination as to issuance or non-issuance of licenses or restricted licenses; conducts all types of drive tests; reviews medical reports and visual reports; conducts reexaminations for drivers of questionable capabilities; prepares and serves license withdrawal notices; schedules personnel; insures accountability of fees and makes daily deposits; visits with civic groups, driver education classes, and other organizations; and provides technical support and training to the driver license team. Examiners are trained to perform all the functions of Clerk IV's and Clerk Typist III's.

Clerk IV: Performs lead worker duties for the licensing team; serves as a fully functioning Examiner in the absence of the Examiner; answers more complex questions in support of other subordinate clerks; trained to perform all duties of the Clerk Typist III's; works with the Examiner to insure all customer service objectives are met.

Clerk Typist III: Cross-trained for proficiency in all internal station activities including applicant eligibility and qualifications; operates computer issuance equipment and vision screening devices; administers and scores knowledge tests; prepares and schedules applicants for road testing; and queries national driver data banks which include the National Driver Register's Problem Driver Pointer, Driver License Reciprocity, and the Commercial Driver License Issuance System.

Prior to implementation of the pilot project, the driver license team that covered the pilot counties operated without an Examiner during 1993. The Examiner's responsibilities were assumed by the Clerk IV and part-time help was added. The following table shows the estimated cost for DOT if they had provided the service during calendar year 1994 in the pilot counties. The table also shows the equipment needs of the team and equipment replacement costs. Attachment A provides a list of salaries by position.

<u>Salaries & Support</u>	Estimated CY 1994
Salaries & Benefits	\$ 60,540
Part-Time Staff	26,679
Support	11,666
Polaroid Photo Machines (66.9 cents per issue)	12,160
Total Annual Operating Cost	\$ 111,045
 <u>Equipment for one team plus backup*</u>	
IBM PC with Software (2 @ \$4,958)	\$ 9,916
Epson LQ Printer (2 @ \$420)	840
IBM Modem (1 @ \$2,100)	2,100
Vision Testing Machine (1 @ \$575)	575
Total Equipment	\$ 13,431

* Equipment is replaced approximately every five years.

DOT Support Services for all Licensing Teams and Stations

The DOT provides the following support services for all driver license teams and the counties included in the pilot project.

- Driver License Help Desk. Staffed eight hours per day by two employees. After 4:30 PM and on Saturdays, support is provided by 24-hour telecommunications staff. Support is provided in records and applicant eligibility both State and nationwide through the following national data banks: Commercial Driver License Issuance System, National Driver Register's Problem Driver Pointer System, and the Driver License reciprocity System.
- Ames Help Desk for communications and equipment problems.
- Six Area Supervisors that provide technical assistance to all driver license stations and teams in the area of license issuance. Two Area Supervisors are assigned as contact persons for six pilot project counties.

Pilot Project Training

The DOT provided training to county personnel involved in the pilot project. Training involved the following:

- One hundred and fifty hours of training was conducted in Des Moines during the months of October and November of 1993. Two representatives from each pilot county attended the training. Three additional part-time employees hired by the counties to conduct drive tests attended the drive and skills test training. Ten DOT Driver Services employees assisted in the training process.
- The Office of Driver Services contracted with the Des Moines Area Community College's Transportation Institute for the use of classroom space, tractor-trailers, straight truck, school bus, motorcycle, and professional driver instructors to aid the DOT in training the pilot group in vehicle road testing, commercial skills testing, and motorcycle testing.
- The cost to the DOT for providing the training totaled \$9,996.

COUNTY TREASURER SERVICEHours of Service

Adams County.....	8:30 - 4:00 Monday - Friday
Cass.....	8:00 - 4:30 Monday - Friday
Fremont.....	8:00 - 4:30 Monday - Friday
Mills.....	8:30 - 4:00 Monday - Friday
Montgomery.....	8:30 - 4:00 Monday - Friday
Page:	
Clarinda.....	8:00 - 4:00 Monday - Friday
Shenandoah.....	9:00 - 4:00 Every Wednesday

Services Provided

Written knowledge exams are given in all six county courthouses with tests being given within the respective treasurer's office or in the hallway within full view of the treasurer's staff. Driver license service in Shenandoah is provided once a week at the National Guard Armory. All written exams are given under the supervision of each treasurer's office.

Drive tests are conducted in a variety of ways by the counties.

- Adams County: Drive tests are administered by the treasurer's staff from 9:00 - 3:00 Monday through Friday. Commercial Driver Licenses (CDLs) are not given due to the absence of a four-lane highway and traffic light.
- Cass County: All drive tests including CDLs are regularly scheduled and conducted by a county employee, who has been assigned additional hours and duties, on Tuesdays from 9:00 - 3:00, usually by appointment. Drive tests are also conducted on an as needed basis by the county treasurer from 8:00 - 4:00 Monday through Friday.
- Fremont County: Drive tests including CDLs are conducted by the County Treasurer as needed from 8:00 - 4:30 Monday through Friday. The CDL pre-trip inspections and basic skills tests are conducted in Sidney. The CDL drive test is conducted by the Fremont County Treasurer in Shenandoah by appointment due to the absence of the required four-lane highway and traffic light in Sidney.
- Mills County: Drive tests, including CDLs, are conducted from 9:00 - 4:00 on Thursdays by a former DOT examiner now employed part-time by the County Treasurer.
- Montgomery County: Drive tests, including CDLs, are conducted from 8:00 - 4:00 by a former DOT examiner now employed part-time by the County Treasurer on Tuesdays.
- Page County:
 - Clarinda - Drive tests are conducted from 11:00 - 3:00 Monday through Friday by the County Treasurer and former driver education instructor employed on a part-time basis. No CDL tests are given in Clarinda.
 - Shenandoah - Drive tests, including CDLs, are conducted by a former driver education instructor employed on a part-time basis. A former DOT examiner substitutes as needed. Drive tests are given on Wednesdays from 9:30 - 3:30.

Staffing, Support, and Equipment

The county treasurers in the six pilot counties have two to four employees trained to issue licenses and administer tests. The salaries and benefits of these positions are shown for each county on Attachment A. These persons incorporate motor vehicle license activities into their normal job functions. In addition, the treasurers have hired three part-time drive test examiners that have received DOT training. The cost for salaries and benefits were estimated by the county treasurers based on the percentage of staff time spent on driver license activities at each county location. The salary and support cost is for calendar year 1994. The following table shows the estimated cost to the six counties during calendar year 1994. The table also shows the equipment needs of the counties and equipment replacement costs.

<u>Salaries & Support</u>	<u>Estimated CY 1994</u>
Total All Counties	
Salary & Benefits	\$ 75,836
Part-Time Drive Test Examiners	14,500
Support	4,000
Polaroid Photo Machines**	12,160
Total Annual Operating Cost	\$ 106,496
<u>Equipment for seven locations*</u>	
IBM PC with Software (7 @ \$4,958)	\$ 34,706
Epson LQ Printer (7 @ \$420)	2,940
IBM Modem (7 @ \$2,100)	14,700
Zero-lost bridge hardware & data line (6 @ \$300)	1,800
Vision Testing Machines (7 @ \$575)	4,025
Total Equipment for Counties	\$ 58,171

****Equipment is replaced approximately every five years.

** The cost for the Polaroid photo machines is based on a current lease agreement of 66.9 cents per license and identification devise issued. Adding the six additional machines did not significantly affect the lease cost. However, a new lease is to be negotiated by July 1, 1995, which will increase the cost per license.

Modifications of Courthouse facilities

Only Adams County required remodeling at a cost of \$2,500 to accommodate motor vehicle license activities. Montgomery County may need to relocate the Treasurer's Office to accommodate motor vehicle license activities. All courthouse facilities in the pilot counties are handicapped accessible.

MOTOR VEHICLE LICENSE ISSUANCE STATISTICS

Attachment B shows motor vehicle license issuance statistics for the State and the six county area involved in the pilot project. Prior to 1994 service was provided by a DOT driver license team.

ISSUES

The following is a discussion of issues that need to be considered as decisions are made on motor vehicle license activities. Also included are issues raised by both the DOT and the county treasurers regarding the quality and effectiveness of the pilot project service.

1. Should an evaluation be conducted to determine the feasibility of transferring the motor vehicle license issuance functions to the counties? Who should conduct the evaluation?
2. Should a legislative committee be established to oversee the evaluation?
3. Should additional counties be added on a pilot basis without a final evaluation of the current project?

4. The DOT's lease with the Polaroid Company for the existing license photo equipment will terminate on June 30, 1995. The DOT is requesting, and the Governor is recommending, funding for the lease of new equipment technology with capabilities of producing a license with a digitized photo, and a magnetic strip and bar code on the reverse of the license. The new licenses will be significantly more difficult to alter, thus reducing the number of fraudulent licenses in circulation. In addition, the digitized photographs can be electronically transmitted to law enforcement computers. However, the cost of the technology is significantly greater than the current photo machines. The existing annual cost for the photo machines is \$670,000 (based on a lease cost of 66.9 cents per license issued). The new system will cost \$1,070,000 in FY 1996 for the 22 teams and nine permanent stations. The installation of this technology into the county courthouses would increase the lease cost due to the increased number of units in use.
5. The equipment used for license issuance is generally depreciated over a five-year period. The cyclical replacement of equipment will be more expensive under a county proposal due to more equipment being in circulation.
6. The DOT and the county treasurers differ in opinions on the quality and effectiveness of the service in the pilot counties. The following is a partial discussion of some of these differences:
 - The DOT states that a crucial element in issuing licenses is the recognition of applicants who need to be reexamined to demonstrate their physical capabilities to operate an automobile. The DOT states that in 1993 the driver license team serving the pilot counties conducted 31 reexaminations in 1993 while the county treasurers conducted 13 reexaminations during 1994. The DOT states that reexamination of applicants is critical to driver safety.
 - Both the DOT and the county treasurers agree that the hours of service provided in the pilot counties is greater due to the service being offered during regular county courthouse hours. The county treasurers believe the additional hours of service are more convenient for senior citizens and students, and saves time for employers and employees in the local area. The treasurers also attribute the multiple services available at the courthouses as another advantage for issuing motor vehicle licenses from the county treasurer offices.
 - Both the DOT and the county treasurers state that customer service was rated very high by their customers. According to DOT surveys, 98.5% of customers rate the service as good or excellent with 82.6% of the customers rating the service as excellent. The county treasurers have received positive comments through correspondence and news articles on the quality and convenience of the service.
 - The county treasurers stated the error rate for license issuance was 0.16% and anything less than a 2.0% error rate meets established DOT guidelines.
 - The DOT states the liability for breach of duty will be the responsibility of the issuing jurisdiction and county tax payers will assume this liability for counties involved in issuing motor vehicle licenses.
 - The DOT stated that during 1994 the driver license team that operates in northwest Iowa, which is comparable in size and activity to the pilot counties, detected five fraudulent applications. These counties include Osceola, Lyons, Sioux, O'Brien, and Plymouth. The pilot counties detected one fraudulent application during this same time period.

- The DOT has documented that at least one employee in Adams County who has been conducting drive tests has not received DOT training for administering drive tests.
- The DOT states that increasing the number of counties issuing licenses will require additional support staff to assist with the increased number of sites issuing licenses.

STAFF CONTACT: David Reynolds (Ext. 16934)

County Treasurers

The following shows the total number of persons and salaries trained to perform all or part of driver license operations in the pilot counties.

	Salary and Benefits
Adams County	
County Treasurer	\$ 29,580
Deputy Treasurer	24,164
Motor Vehicle Admin. Clerk	18,574
	17,978
Cass County	
County Treasurer	34,415
Tax Deputy	27,165
Motor Vehicle Deputy	26,030
Office Assistant	26,030
DL Examiner	3,538
Fremont County	
County Treasurer	31,842
Deputy Treasurer	24,507
Mills County	
County Treasurer	30,453
Deputy Treasurer	24,863
DL Examiner \$10/hr.	NA
Montgomery County	
County Treasurer	31,463
Deputy Treasurer	24,208
DL Examiner \$10/hr.	5,671
Page County	
County Treasurer	33,840
Tax Deputy	27,572
1st Motor Vehicle Deputy	24,528
2nd Motor Vehicle Deputy	22,954
DL Examiner \$10/hr.	NA

Department of Transportation

	Salary and Benefits
Clerk IV	\$ 33,219
Clerk Typist III	27,321
Perm. Part-Time Clerk Typist III	19,326
Intermittent Help	4,989
Summer Help	2,363

ISSUANCE STATISTICS PER CALENDAR YEAR

Year	Total State				Driver License Team (Pilot Project Counties)			
	Licenses Issued	Revenue	Knowledge Exams	Drive Tests	Licenses Issued	Revenue	Knowledge Exams	Drive Tests
1988	545,829	\$6,427,439	246,185	65,401	10,486	\$130,437	4,806	1,251
1989	413,467	3,731,136	234,823	65,475	9,252	86,218	5,111	1,187
1990	582,081	6,367,930	248,823	61,685	12,996	146,494	5,314	1,143
1991	922,931	13,118,267	474,271	62,318	20,870	305,382	10,454	1,139
1992	1,011,828	14,296,811	742,717	86,857	22,021	321,351	17,003	1,443
1993	726,357	8,461,135	341,030	59,726	15,404	185,249	6,540	1,074
1994*	682,676	7,357,572	332,275	64,193	18,177	199,405	8,567	1,182

* Motor vehicle license activities in the six pilot counties were conducted by the county treasurers during 1994.