

ECONOMIC DEVELOPMENT, TRANSPORTATION, AND NATURAL RESOURCES SUBCOMMITTEE MEETING

Wednesday, February 13, 2019

Contents

Agenda	2
Minutes from Previous Meeting	3
Study Timeline: Department of Motor Vehicles	6
DMV Snapshot.....	7
Follow-Up Requests from Subcommittee.....	8
Follow-Up Information from DMV.....	9
Agency Presentation	14
Committee Contact Information.....	46

AGENDA

South Carolina
House of Representatives



Legislative Oversight Committee

*ECONOMIC DEVELOPMENT, TRANSPORTATION,
AND NATURAL RESOURCES SUBCOMMITTEE*

The Honorable William M. "Bill" Hixon, Chair

The Honorable Lee Hewitt

The Honorable Mandy Powers Norrell

The Honorable Marvin R. Pendarvis

Wednesday February 13, 2019

1 hour after adjournment of the House

321 - Blatt Building

*Pursuant to Committee Rule 6.8, S.C. ETV shall be allowed access for internet streaming whenever
technologically feasible.*

AGENDA

- I. Approval of Minutes
- II. Discussion of the study of the Department of Motor Vehicles
- III. Adjournment

MINUTES FROM PREVIOUS MEETING

Chair Wm. Weston J. Newton

Legislative Oversight Committee



South Carolina House of Representatives

Post Office Box 11867

Columbia, South Carolina 29211

Telephone: (803) 212-6810 • Fax: (803) 212-6811

Room 228 Blatt Building

*First Vice-Chair:
Laurie Slade Funderburk*

*Micajah P. (Micah) Caskey, IV
Neal A. Collins
Patricia Moore (Pat) Henegan
William M. (Bill) Hixon
Jeffrey E. (Jeff) Johnson
Marvin R. Pendarvis
Tommy M. Stringer
Bill Taylor
Robert Q. Williams*

*Jennifer L. Dobson
Research Director*

*Cathy A. Greer
Administration Coordinator*

*Gary E. Clary
Chandra E. Dillard
Lee Hewitt
Joseph H. Jefferson, Jr.
Mandy Powers Norrell
Robert L. Ridgeway, III
Edward R. Tallon, Sr.
John Taliaferro (Jay) West, IV
Christopher Sloan (Chris) Wooten*

*Charles L. Appleby, IV
Legal Counsel*

*Carmen J. McCutcheon Simon
Research Analyst/Auditor*

*Kendra H. Wilkerson
Fiscal/Research Analyst*

Economic Development, Transportation, and Natural Resources Subcommittee

Wednesday, January 23, 2019

10:00 a.m.

Blatt Room 427

Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 6.8, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly's website (<http://www.scstatehouse.gov>) and clicking on *Committee Postings and Reports*, then under *House Standing Committees* click on *Legislative Oversight*. Then, click on *Video Archives* for a listing of archived videos for the Committee.

Attendance

- I. The Economic Development, Transportation, and Natural Resources Subcommittee meeting was called to order by Chair William M. (Bill) Hixon on Wednesday, January 23, 2019, in Room 427 of the Blatt Building. The following other members of the Subcommittee were present for either all or a portion of the meeting: Representative Lee Hewitt, Representative Mandy Powers Norrell, and Representative Marvin R. Pendarvis.

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings. It is the practice of the Legislative Oversight Committee to provide minutes for its subcommittee meetings.

- II. Representative Hewitt moves to approve the minutes from the November 1, 2018 meeting. A roll call vote is held, and the motion passes.

Rep. Hewitt's motion to approve the minutes from the November 1, 2018, meeting:	Yea	Nay	Not Voting
Rep. Hewitt	✓		
Rep. Norrell			✓ (absent)
Rep. Pendarvis	✓		
Rep. Hixon	✓		

Discussion of the Department of Motor Vehicles (DMV)

- I. Chair Hixon swears in the following DMV representatives:

- a. John Laganelli, Chief of Staff and Director of Operations
- b. Frank Valenta, General Counsel
- c. Patricia (Trish) Blake, Director of Administration
- d. Karl McClary, Inspector General
- e. Tracey (Teddi) Miller, Deputy Director of Internal Audits
- f. Henry (Eddie) Wicker, Deputy Director of Driver Services
- g. Shirley Rivers, Director of Driver Services
- h. Larry Murray, Director of Vehicle Services
- i. Laura Bayne, Deputy Director of Legislative Affairs
- j. Courtney Saxon, Deputy Director of Field Services
- k. Kristin Wicker, Deputy Director of Finance
- l. Gregory Torok, Deputy Director of Human Resources
- m. CL Clay, Chief Information Security Officer
- n. Ralph Bailey, Budget Manager
- o. Frank Rogers, Chief Information Officer
- p. Phil Porter, Deputy General Counsel
- q. Michael Baum, Application Systems Manager
- r. Melissa Cisson, Deputy Director of the Contact Center
- s. Nina Moore, Paralegal
- t. Rick Steen, Investigator
- u. Betty Cumalander, Fraud Unit
- v. Brandy Duncan, Assistant General Counsel
- w. John Padgett, Legislative Liaison

- II. DMV Executive Director Kevin Shwedo, who was sworn in at a previous Committee meeting, makes opening comments and then presents information on the following topics:

- a. Mission, vision, and values
- b. History
- c. Organizational structure
- d. Partnerships

Director Shwedo responds to Subcommittee member questions during and after the presentation.

- III. Ms. Tracey (Teddi) Miller, Deputy Director of Internal Audits, presents about the agency’s internal audit process. Ms. Miller and Director Shwedo respond to Subcommittee member questions during and after the presentation.
- IV. Director Shwedo provides opening comments about the agency’s information technology. Then, Mr. CL Clay, Chief Information Security Officer, discusses information security, followed by Mr. Frank Rogers, Chief Information Officer, who discusses the history of the agency’s information technology systems. Director Shwedo, Mr. Clay, and Mr. Rogers answer questions from Subcommittee members during and after the presentations. Mr. Larry Murray, Director of Vehicle Services, also responds to a Subcommittee member question during the presentation.
- V. Mr. John Laganelli, Chief of Staff and Director of Operations, discusses agency organization, deliverables, and resources. Director Shwedo and Mr. Laganelli respond to Subcommittee member questions during and after the presentation.
- VI. Representative Hewitt moves to recommend that the Committee encourage fellow legislators to inform their constituents of the upcoming Real ID deadline and potential consequences of waiting. A roll call vote is held, and the motion passes.

Rep. Hewitt’s motion to recommend that the Committee encourage fellow legislators to inform their constituents of the upcoming Real ID deadline and potential consequences of waiting;	Yea	Nay	Not Voting
Rep. Hewitt	✓		
Rep. Norrell			✓ (absent)
Rep. Pendarvis	✓		
Rep. Hixon	✓		

- VII. The meeting is adjourned.

STUDY TIMELINE: DEPARTMENT OF MOTOR VEHICLES

Legislative Oversight Committee Actions

- May 3, 2018 - Prioritizes the agency for study
- May 9, 2018 - Provides the agency with notice about the oversight process
- July 17 – August 20, 2018 - Solicits input from the public about the agency in the form of an online survey
- January 14, 2019 - Holds **Meeting 1** to **obtain public input** about the agency

Economic Development, Transportation, and Natural Resources Subcommittee Actions

- January 23, 2019 – Holds **Meeting 2** with the agency to discuss an overview of its **mission, history, resources, and major programs**
- February 13, 2019 (TODAY) – Holds **Meeting 3** with the agency to continue discussing its **major programs, successes, challenges, and emerging issues**

Department of Labor, Licensing and Regulation Actions

- March 31, 2015- Submits its **Annual Restructuring and Seven-Year Plan Report**
- January 12, 2016- Submits its **2016 Annual Restructuring Report**
- September 2016- Submits its **FY 2015-16 Accountability Report/Annual Restructuring Report**
- September 2017- Submits its **FY 2016-17 Accountability Report/Annual Restructuring Report**
- September 2018 – Submits its **FY 2017-18 Accountability Report/Annual Restructuring Report**
- November 16, 2018 - Submits its **Program Evaluation Report**
- January 2019-present- Meets with and **responds to Subcommittee**

Public's Actions

- July 17 – August 20, 2018- Provides input about the agency via an **online public survey**
- January 14, 2019- Provides **testimony** about the agency to the full Committee
- Ongoing - **Submits written comments on the Oversight Committee's webpage** on the General Assembly's website (www.scstatehouse.gov)

DMV SNAPSHOT

Department of Motor Vehicles

Agency Mission

To administer the state's motor vehicle licensing and titling laws by maintaining strict controls to deliver secure and valid identification, licenses, property records, while accurately accounting for the receipt and timely distribution of all revenue collected in order to best serve our citizens.

Successes *Identified by the agency*

- Partnering with external entities to deliver services and products with fewer errors and higher customer satisfaction
- Implementing the S.C. Uniform Traffic Ticket Information Exchange System
- Rolling out Real ID

History

The Department of Motor Vehicles began as a division of the State Highway Commission in 1917. After spending time with both the Department of Revenue and the Department of Public Safety, it became a cabinet agency in 2003.

Organizational Units

Administration
Customer Service Delivery (Vehicle Services)
Office of Inspector General
Procedures and Compliance (Driver Services)
Technology and Product Development
Customer Service Centers

Resources *(FY 18-19)*

Employees
1,220 filled FTE positions at the start of the year

Funding
\$114,055,506 appropriated and authorized

Challenges *Identified by the agency*

Current:

- Meeting dynamic needs with existing infrastructure
- Rising cost of goods, services, and contracts
- Modernizing the agency's 17-year-old operating system
- Retaining talented employees

Emerging:

- Autonomous vehicle regulation
- Mobile driver's license / ID card
- Mobile integration in all aspects of customer service
- Taking advantage of technology while protecting citizens' information

Source: Agency Program Evaluation Report

Chair Wm. Weston J. Newton

First Vice-Chair:
Laurie Slade Funderburk

Legislative Oversight Committee



South Carolina House of Representatives

Micajah P. (Micah) Caskey, IV
Neal A. Collins
Patricia Moore (Pat) Henegan
William M. (Bill) Hixon
Jeffrey E. (Jeff) Johnson
Marvin R. Pendarvis
Tommy M. Stringer
Bill Taylor
Robert Q. Williams

Jennifer L. Dobson
Research Director

Cathy A. Greer
Administration Coordinator

Post Office Box 11867
Columbia, South Carolina 29211
Telephone: (803) 212-6810 • Fax: (803) 212-6811
Room 228 Blatt Building

FOLLOW-UP
REQUESTS FROM
SUBCOMMITTEE

Gary E. Clary
Chandra E. Dillard
Lee Hewitt
Joseph H. Jefferson, Jr.
Mandy Powers Norrell
Robert L. Ridgeway, III
Edward R. Tallon, Sr.
John Taliaferro (Jay) West, IV
Christopher Sloan (Chris) Wooten

Charles L. Appleby, IV
Legal Counsel

Carmen J. McCutcheon Simon
Research Analyst/Auditor

Kendra H. Wilkerson
Fiscal/Research Analyst

January 24, 2019

Via Email

Col. Kevin A. Shwedo, Executive Director
South Carolina Department of Motor Vehicles
Post Office Box 1498
Blythewood, South Carolina 29016

RE: Follow-up questions from the Subcommittee meeting with the agency on January 23, 2019

Dear Director Shwedo:

The Economic Development, Transportation, and Natural Resources Subcommittee appreciates the Department of Motor Vehicles' continued partnership in the oversight process. As follow-up from the meeting on January 23, 2019, please provide the following information by Monday, February 4, 2019:

1. A brief description of the steps DMV and others would have to take to begin automatically transmitting address changes made with DMV to counties to be used to update voter registrations. Please include an estimate of the costs DMV would incur to take those steps;
2. The number of employees DMV currently has that make less than \$25,750, the 2019 federal poverty threshold for a family of four; and
3. A list of the in-state court systems that do not provide at least 90% of adjudicated tickets to DMV within the ten-day reporting period.

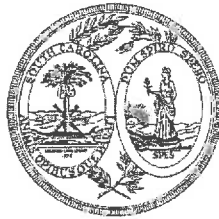
If these inquiries would yield responses that are not an accurate reflection of the agency or if additional time is needed to respond, please contact Committee staff. Thank you for your service to the citizens of South Carolina and for your continued cooperation with the legislative oversight process. We look forward to continuing our discussion of the Department of Motor Vehicles at the next Subcommittee meeting.

Sincerely,

A handwritten signature in blue ink that reads "Bill Hixon".

William M. "Bill" Hixon
Subcommittee Chair

cc: Economic Development, Transportation, and Natural Resources Subcommittee Members



Henry McMaster
Governor

Kevin A. Shwedo
Executive Director

State of South Carolina
Department of Motor Vehicles

Thursday, January 24, 2019

The Honorable William M. "Bill" Hixon
Post Office Box 11867
Columbia, South Carolina 29211

Dear Representative Hixon,

During the Wednesday, January 23, 2019 House Oversight Subcommittee meeting, you inquired about the process the South Carolina Department of Motor Vehicles (SCDMV) follows when registering voters and transmitting that information to the SC State Election Commission (SEC) or county boards of voter registration. I wanted to take this opportunity to further explain and clarify the "Motor Voter" program present in all 66 branches statewide.

South Carolina Code of Laws §7-5-320 requires that agency employees ask all customers who are performing a driver's license, identification card, or address change transaction in person if they want to register to vote or update their address information for voting purposes with the county board of voter registration. Further, employees update voter registration information if a customer asks to do so when completing any transaction in person. However, a customer cannot only update his or her voter registration information at a branch office. The customer must be visiting an office to complete an agency-related transaction as well.

If a customer decides to update his or her voter registration information, an employee gives him or her an Application for Voter Registration (SCDMV Form MV-2), in addition to the form needed to complete the SCDMV transaction, to register to vote. On the Application for Voter Registration, a customer writes his or her phone number, driver's license/ID card number, and information about where he or she is, or was, previously registered to vote. If a customer does not know his or her previous voter registration information, which includes the precinct, county, state, and registration number, the SCDMV employee instructs the customer to simply leave that information blank for the county board to research and complete once it receives the signed application. I enclosed the Application for Voter Registration for your reference.

At the end of each business day, branch management teams print a report from the SCDMV's computer system showing which customers registered to vote or updated their voter registration that day. The first page of this report remains at the branch. It provides the total number of voters registered that day. A summary page and a detailed page then prints for every county in which a customer who registered to vote resides. The branch management team separates the Application for Voter Registration forms by county, and the summary and detailed reports for each particular county is placed on top of the paper applications.

Each Thursday, branch management teams mail all completed Applications for Voter Registration, separated by county, to Field Services Administration at SCDMV Headquarters in Blythewood. The only exception to this is counties that wish to pick up completed applications in person from a

Post Office Box 1498, Blythewood, South Carolina 29016

branch. If this is the case, the branch notes that a county elections official picked up the applications so Field Services will know not to look for those forms. Field Services reconciles any applications mailed to Blythewood and mails those completed packets to county boards of voter registration.

This process will remain in place until Monday, February 11, 2019 at which point, it is the agency's goal, to eliminate the paper process. At the close of business on Saturday, February 9, 2019, all SCDMV branches will have the capability to collect signatures for voter registration via an electronic signature pad, similarly to how some signatures are collected after credit card purchases. Agency IT staff will test the electronic signature capability over the weekend, and it will be available to customers at the start of business on February 11th. The electronic signature will replace the paper Application for Voter Registration explained above.

When the agency turns on the electronic signature service, the SEC will receive the data on newly registered or updated voter information every Sunday from the SCDMV. The data will contain the previous week's registered voters. The SEC will then communicate updates to the county boards of voter registration according to its own schedule.

At this time, there is no way for a customer to update his or her address at scdmvonline.com and have it automatically transmitted to the SEC or a county board of voter registration to update applicable voter registration information. Code of Laws §56-1-230 requires that an individual update his or her address with the SCDMV within ten days of the address change, but it does not require that a person purchase a new license or ID with the updated address. As I said during the subcommittee hearing Wednesday, a person's license/ID may not reflect his or her physical address, but updating the address online means the agency's computer system and law enforcement officers, via Member Services, can see the change. Further, the agency automatically mails an individual an updated registration card for his or her vehicle with the new address.

If a customer updates his or her address online, the customer sees at the end of the transaction a message that says, "To register to vote in South Carolina: Visit www.seVOTES.org and submit an online voter registration application. This will allow you to register at your new address on file with DMV or update your voter registration to your new address on file at DMV."

You asked if there was a plan in place to change this online process making it possible for SEC and county board of voter registration files to automatically update when a customer changes his or her address online with the SCDMV. At this point, there is no plan to make this change, and the agency has not completed a fiscal impact statement detailing the funding needed to automate this process. Code of Laws §7-5-320 specifies that a person's signature is required to register to vote, and there is no way to collect a signature online. In order to change an address online, an individual logs in with his or her license number, social security number, and date of birth as identity validation.

Please let me know if you have additional questions about the Motor Voter program. I am happy to be of further assistance.


Regards,

Kevin Shwedo

Executive Director, SCDMV

Post Office Box 1498, Blythewood, South Carolina 29016



South Carolina Department of Motor Vehicles

APPLICATION FOR VOTER REGISTRATION

MV-2
(Rev. 6-05)

Social Security Number is required by the 14-7-130 S.C. Code of Laws and is used for internal purposes only. Your Social Security Number **does not** appear on any report produced by the State Election Commission nor is it released to any unauthorized individual. The Driver's Privacy Protection Act of 1994 (DPPA), 18 USC Section 2721-2725 restricts the disclosure of personal information contained in our records.

PHONE NUMBER: Home (____) _____ - _____	Work (____) _____ - _____	INSIDE CITY LIMITS YES <input type="checkbox"/> NO <input type="checkbox"/>	DRIVER LICENSE NUMBER
PREVIOUS REGISTRATION: Precinct _____	County _____	State _____	REGISTRATION NUMBER

VOTER DECLARATION – Read and sign below.

I swear or affirm that:

- I am a United States citizen.
- I will be at least 18 years old on or before the next election.
- I am a resident of South Carolina, this county and precinct.
- I am not confined to any public prison resulting from a conviction.
- I am not under a court order declaring me mentally incompetent.
- The address listed above is my only legal place of residence and I claim no other place as my legal residence.
- I have never been convicted of a felony or offense against the election laws OR if previously convicted, I have served my entire sentence, including probation or parole, or I have received pardon for the conviction.
- I understand that I am **not** eligible to vote until I receive a voter registration card from the county in which I live. If I do not receive a voter registration card in the mail, I will be responsible for contacting my Voter Registration Board.

Signature

Date

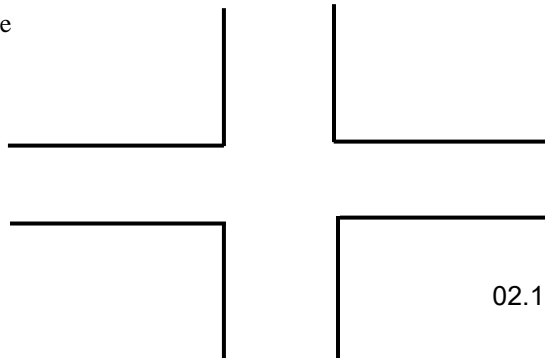
Whoever shall, willfully and knowingly, swear or affirm falsely in taking any oath required by law, shall be guilty of perjury and, on conviction, incur the pains and penalties of the offense.

If you decline to register to vote, that decision will remain confidential and be used only for voter registration purposes.

If you register to vote, information regarding the office in which the application was submitted will remain confidential, again, to be used only for voter registration purposes.

If you live outside the city limits, draw a diagram of the area in which you live. Show your house in relation to local landmarks such as schools, churches, stores, etc. Be sure to label the streets or roads.

N
W E
S





Henry McMaster
Governor

Kevin A. Shwedo
Executive Director

State of South Carolina

Department of Motor Vehicles

Friday, February 8, 2019

The Honorable William M. "Bill" Hixon
Post Office Box 11867
Columbia, South Carolina 29211

Dear Representative Hixon,

Following the Wednesday, January 23, 2019, Legislative Oversight Subcommittee meeting, you and your fellow representatives asked three questions of the South Carolina Department of Motor Vehicles (SCDMV):

1. What is the fiscal impact of amending current SCDMV and State Election Commission (SEC) processes to allow for the automatic change of voter registration information when an elector changes his or her address online with the SCDMV?
2. How many SCDMV employees earn under the federal poverty limit?
3. Which courts do not comply with the electronic ticketing standards known as E-Citation?

Please allow this letter to answer each of your questions above.

Question 1

The SCDMV has been in communication with the SEC since the subcommittee asked this question. In order to link the SCDMV and SEC systems electronically, the SCDMV estimates four weeks of programming that affect the following items:

- Update webpage to allow the customer to opt-out of sending the address change to the SEC
- Web processing to set up the appropriate triggers to send the address change to the SEC
- Inquiry updates in Phoenix (SCDMV computer system) that shows the customer "opted out" of sending the address change to the SEC in order for the election poll workers to explain any discrepancies to the voter

The SCDMV programmers who would complete these changes are contractors making the direct cost to the agency \$14,400.

After a conversation with both agencies' General Counsel, and based on recent case law in other states, the SCDMV is required to transmit address changes to the SEC regardless of whether a customer makes that change online or in person. The SCDMV will begin working with the SEC to implement this in all of its required processes. The only exception to this requirement is if a customer chooses to opt out of the address transmission either on the paper application or via the online system.

With that said, the SCDMV is having continuous conceptual conversations with the SEC, so the end-to-end fiscal impact is yet to be fully calculated when including both SCDMV and potential SEC costs.

Post Office Box 1498, Blythewood, South Carolina 29016

Question 2

The US Department of Health and Human Services defines the 2019 Federal Poverty Level (FPL) for a family of four as a household earning \$25,750 or less a year. You can find this information here: <https://aspe.hhs.gov/poverty-guidelines>.

The SCDMV has 451 current employees earning less than \$25,750. The General Assembly has authorized and funded an additional 36 positions at the same earnings level, but these are currently vacant. The SCDMV does not know how many of the 451 employees are the sole income earner in a household of at least four people.

The General Assembly has authorized the SCDMV 1,302 full-time positions but has funded 1,279. This means that 38% of the agency's funded positions earn below the \$25,750 threshold. According to the agency's Human Resources department, it would take at least \$785,000 (which includes fringe) to bring each of these positions up to \$25,750. This would equate to a 5.5% increase in funding. However, to ensure salary equity and prevent salary compression compared to other employees, the agency would likely need an additional \$200,000, bringing the total to \$985,000.

Question 3

The SCDMV's partnership with law enforcement and the judicial system has been an overarching success. The electronic submission of traffic tickets, or E-Citation, took effect January 1, 2018 and requires electronically reporting violations within five days of disposition to the SCDMV. The SCDMV then has five additional days to report the citation to jurisdictions outside of South Carolina. Since implementing E-Citation, the state has maintained a monthly compliance rate of between 68% and 92%. However, all parties can do more to ensure partner agencies are complying with the E-Citation requirement.

Since you posed this question, the SCDMV started investigating where lapses in E-Citation occur. Both court administration and law enforcement agencies can be better informed on the requirements set forth in state statute requiring them to dispose and submit traffic tickets electronically. The agency instructed courts to stop accepting tickets from law enforcement agencies written on paper versus electronically submitted. Courts should be pulling ticket information from SCUTTIES, or the South Carolina Uniform Traffic Ticket Information Exchange System, and then entering the disposition into a case management system. If courts are not receiving tickets via SCUTTIES, the court should contact the issuing law enforcement officer to tell him or her to electronically submit the ticket information for acceptance.

At the same time, the SCDMV will work with law enforcement agencies across the state that are not meeting compliance standards. The agency's plan is to contact each individual jurisdiction to let it know what citations have not been correctly entered into SCUTTIES, what resources are available to the jurisdiction to aid in the submission of tickets to SCUTTIES, and educate the jurisdiction on the importance of electronically submitting tickets.

Regards,


Kevin Shwedo

Executive Director, SCDMV

Post Office Box 1498, Blythewood, South Carolina 29016

Administration

Trish Blake

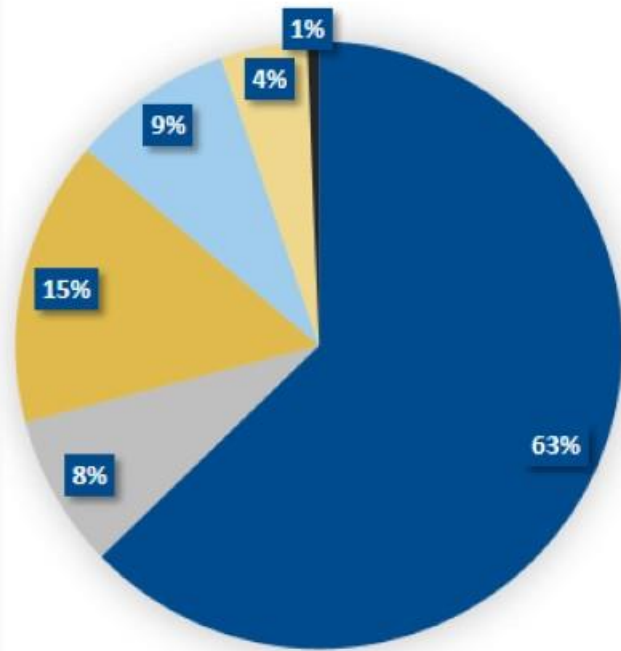
Organization



Agency Resources Overview

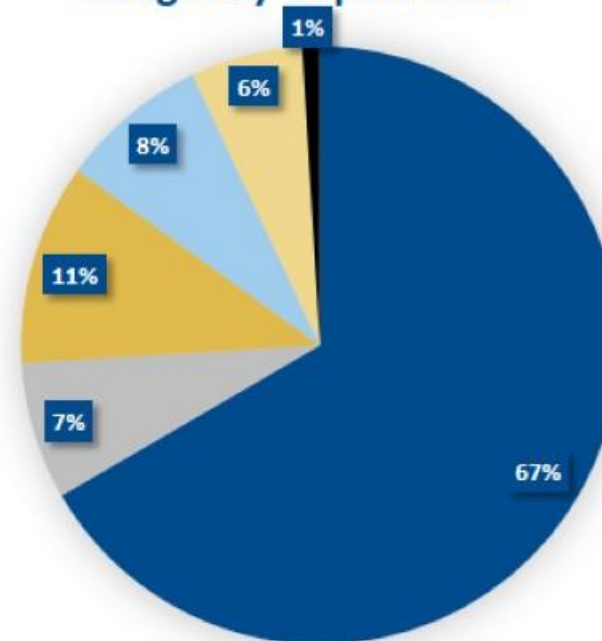
FY18 Total Budget by Department

- Operations
- Administration
- Vehicle Services
- Driver Services
- Inspector General
- General Counsel



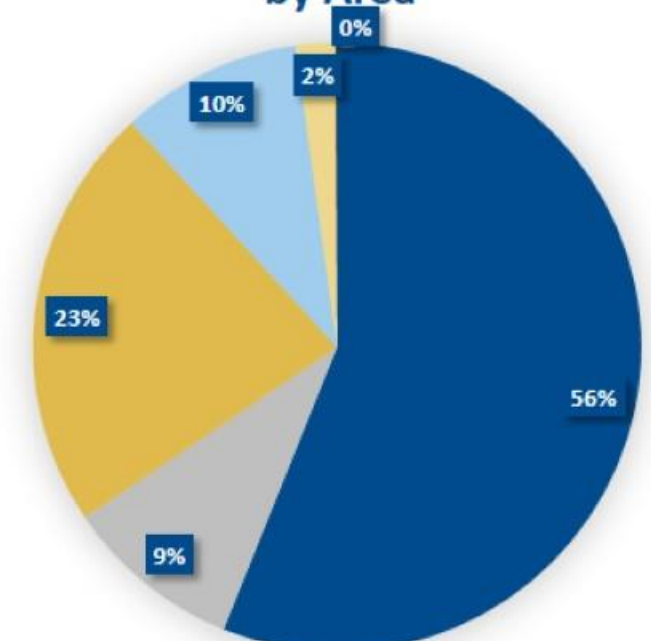
\$94,872,820

FY18 Total Personnel & Fringe Budget by Department



\$60,017,972

FY18 Total Operating Budget by Area



\$34,854,848

- Distribution of funding to other state agencies, high schools, colleges and universities, third-party organizations, and county and local governments
- Agency procurements and contracts
- 66 branches statewide – maintenance/upkeep
- Payroll, benefits, employee relations, and recruitment of approximately 1,300 FTEs and 100 temporary employees
- Manages agency's \$98M budget (includes federal funding)

- Other agencies/outside entities' financial obligations
- Meeting the demands of state citizens for needed services if facilities are not maintained
- Organizational ability to meet the needs of the public if necessary resources and oversight are not maintained

Budget Overview

\$593M in Collections
Registration fees
Titles
Fees: Late/Reinstatement/ Uninsured Motorists
Sale of Information
Vehicle Plates
Licenses
Knowledge Tests
Manuals



\$98.1M SCDMV's ceiling/spending authority
\$104.8 ceiling with REAL ID
\$5,719,546 – SCDMV retained in revenues; <i>(\$1.7M after deducting \$4M for plate replacement)</i>
\$57.8M Payroll/fringe
*\$30.1M SCDMV Operations-- \$34.2 w/REAL ID (\$26.1M left to conduct SCDMV operations after deducting for plate replacement) (\$30.2 left after plate w/REAL ID)

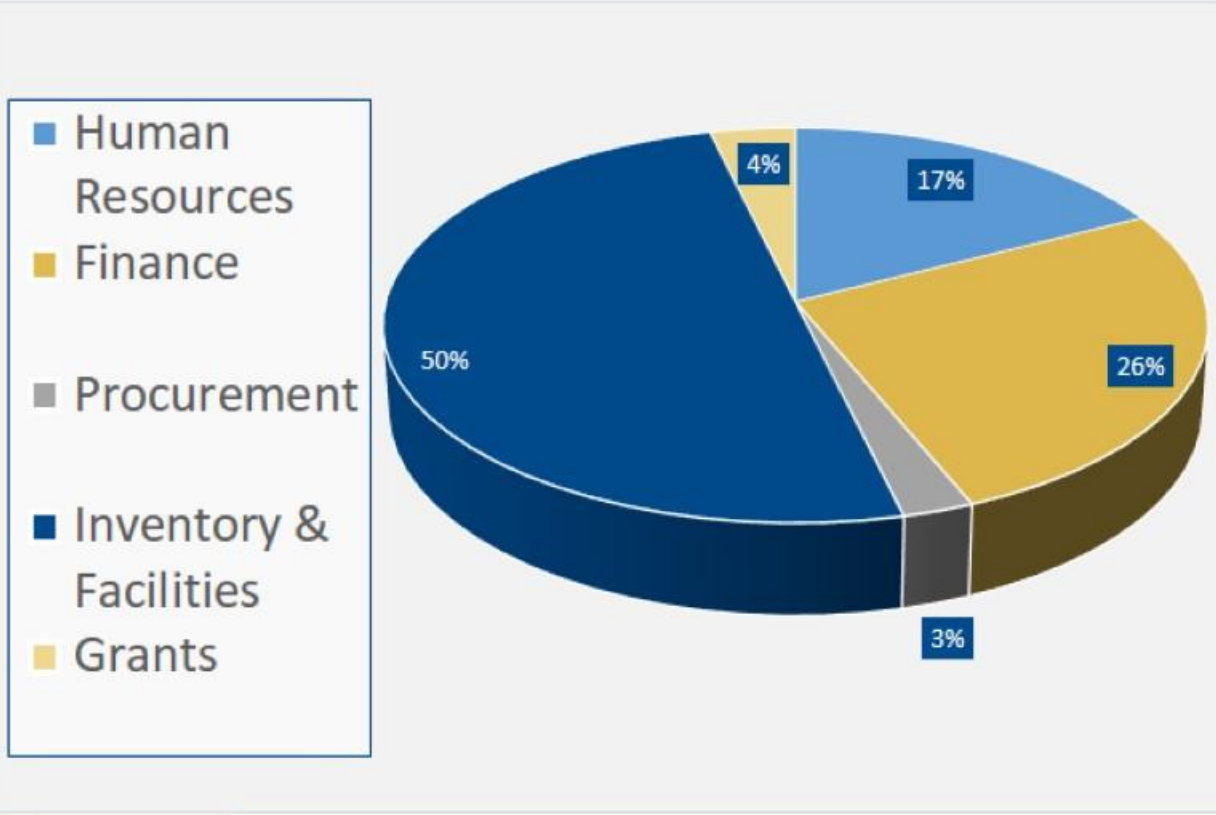
Department of Motor Vehicles	\$5,719,546
-------------------------------------	--------------------

Other state agencies which receive DMV revenues	
State Infrastructure Bank	\$119,036,677
Department of Transportation	\$353,489,701
Department of Education	\$34,167,362
Department of Public Safety	\$18,414,196
State Treasurer's Office	\$17,152,436
Department of Revenue	\$15,839,002
State General Fund	\$11,555,656
Department of Insurance	\$2,175,391
Dept. of Natural Resources	\$126,600
Parks, Recreation and Tourism	\$43,933
Department of Agriculture	\$40,298
DHEC	\$10,815
Total to Other State Agencies	\$572,052,066

Non-State agencies which receive SCDMV revenues	
IFTA & Customer Refunds	\$9,174,644
Counties	\$4,596,659
Special Interest Groups (66)	\$745,009
South Carolina Colleges and Universities (31)	\$570,675
Out of State Colleges and Universities (11)	\$106,455
Fraternities and Sororities (8)	\$51,048
Total to Non-State agencies	\$15,244,490

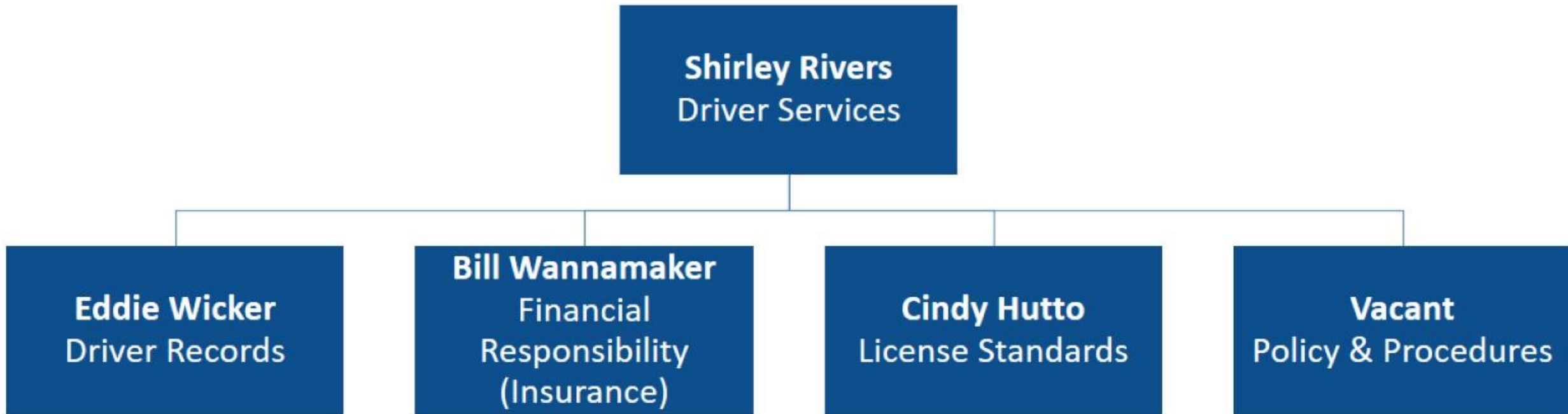
Resources

- 80 total employees
- 50% FTEs in Inventory & Facilities Management
- Total FY18 Budget: \$7,748,288

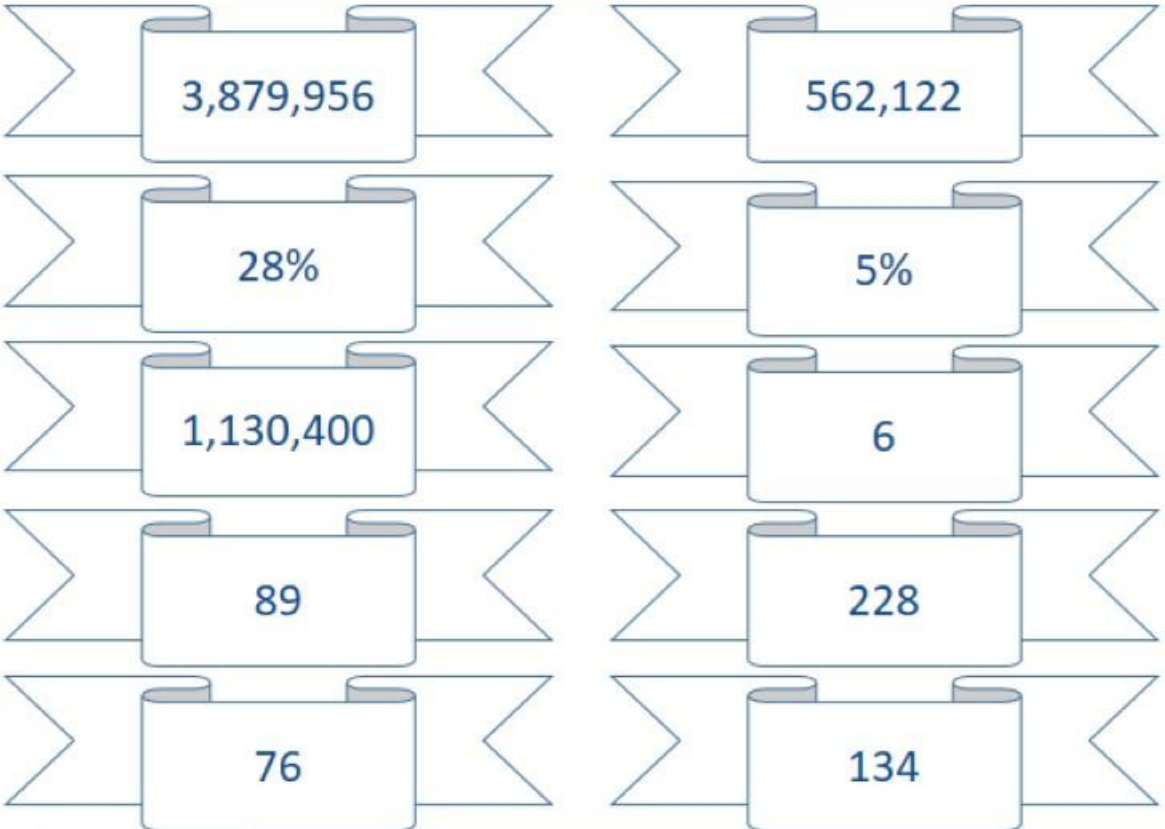


Driver Services

Shirley Rivers
Eddie Wicker



Actions & Products



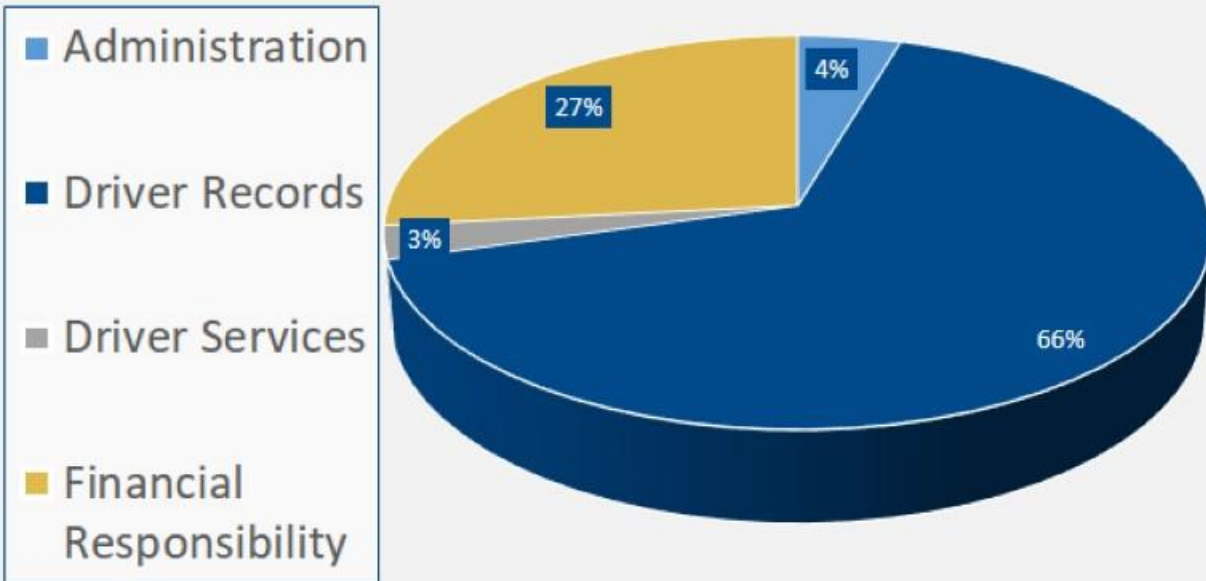
- Set standards for issuing each type of driver’s license and identification card
- Ensures the proper sanctions are taken for convicted drivers
- Maintains vehicle insurance information thus reducing the uninsured rate
- Partners with FMCSA to remain compliant with federal regulations
- Handles e-citation process used for receiving conviction from courts
- Works with IT to implement changes to computer system
- Will implement State-to-State as part of REAL ID compliance
- Updates, maintains, stores all agency policies and procedures

Potential Harms

- Drivers would be out of compliance with state laws and improperly licensed
- Increase in insurance rates, uninsured rate
- Agency non-compliance with state and federal laws and regulations
- State loss of \$24 million in first-year and \$48 million in second and subsequent years of federal road funding



- 109 total employees
- 66% work in Driver Records
- Total FY18 Budget: \$8,177,831



Vehicle Services

Larry Murray

Larry Murray
Vehicle Services

Brian Carlson
Titles &
Registration

Nancy Larrimore
Motor Carrier
Services

Melissa Cisson
Contact Center

Hermenia Brown
License Plates

- Issues titles reflective of any lien information or brands
- Registers vehicles for on road use
- Issues every type of license plate
- Ensures state and federal provisions relating to Motor Carriers, including IFTA & IRP, are enforced
- Collects and reconciles Infrastructure Maintenance Fees
- Operates/manages customer Contact Center

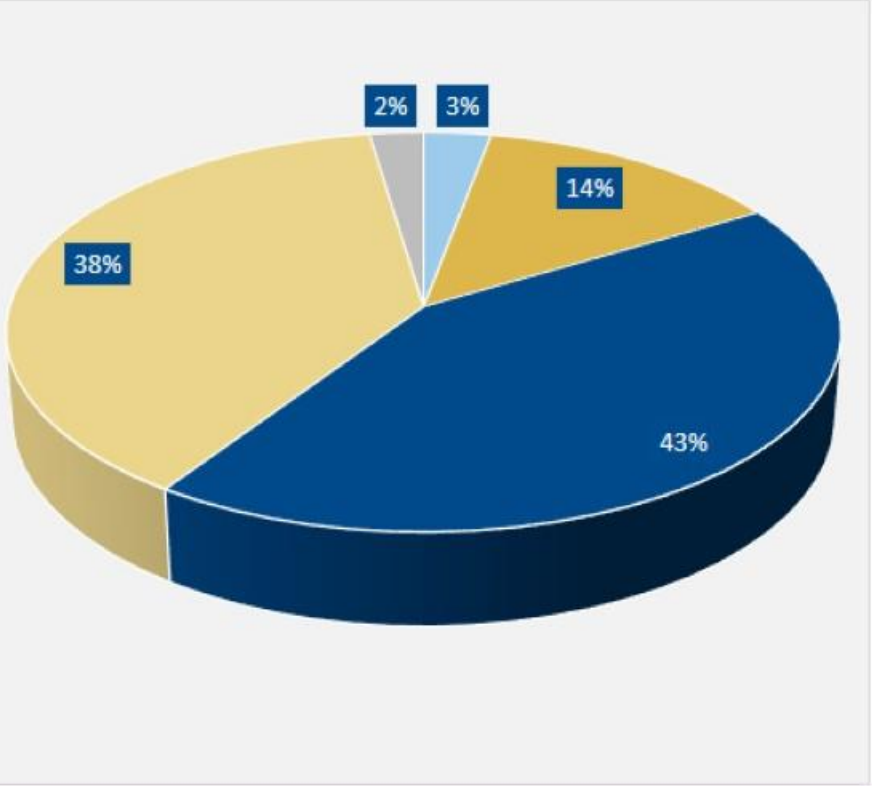
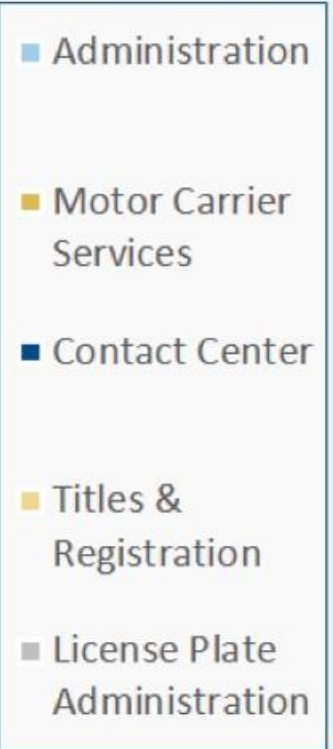
Potential Harms

- Lienholder financial risks, consumer risk of undetermined ownership
- Law enforcement ability to identify vehicles/drivers
- Fewer funds for state agencies or specialty groups
- Plate processing time, dealership inventory and revenue
- Unregulated vehicle use, increased pressure on law enforcement
- Clarifying customer questions



Resources

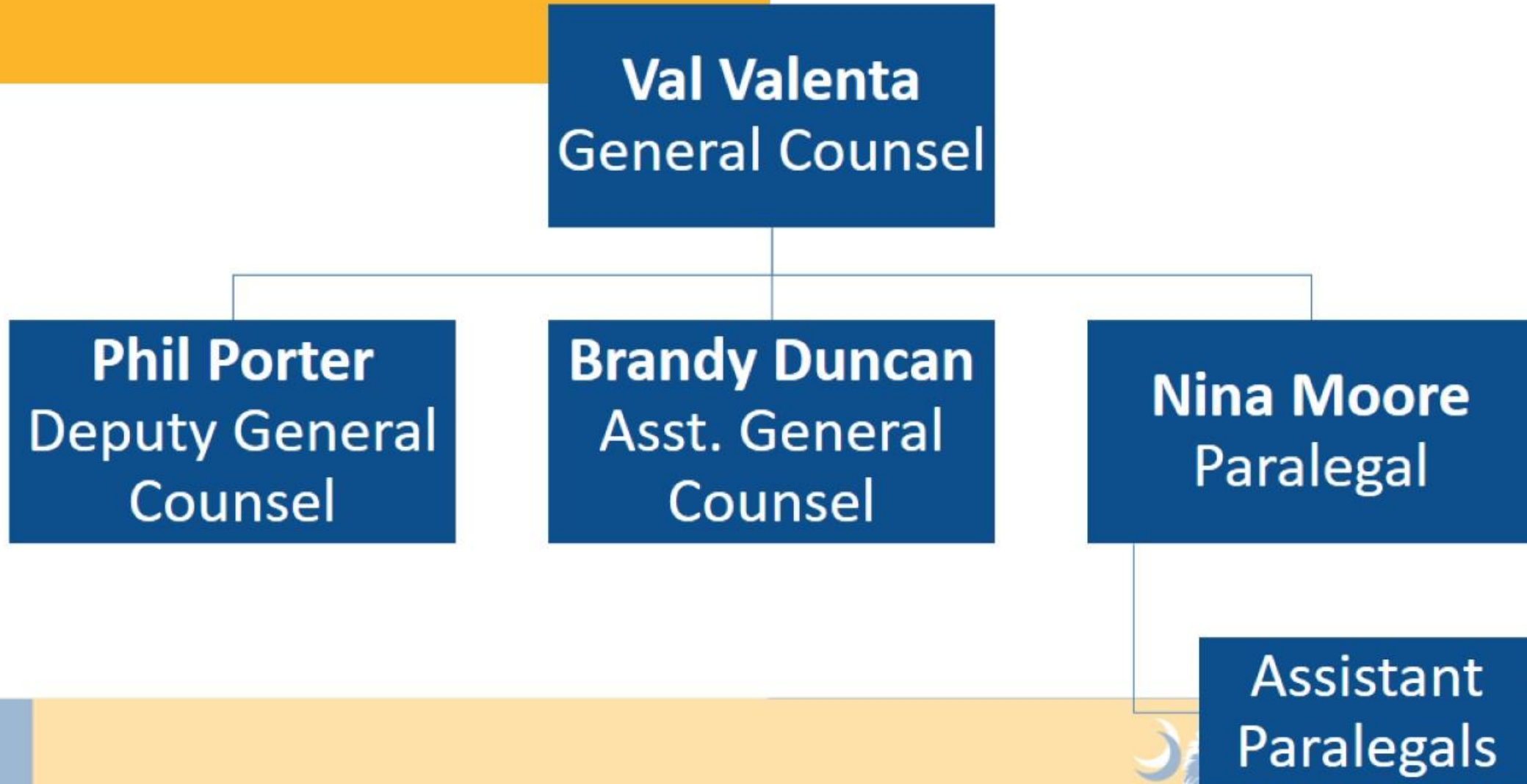
- 170 total employees
- 43% work in the Contact Center/Alternative Media
- Total FY18 Budget: \$14,437,173



General Counsel

Val Valenta

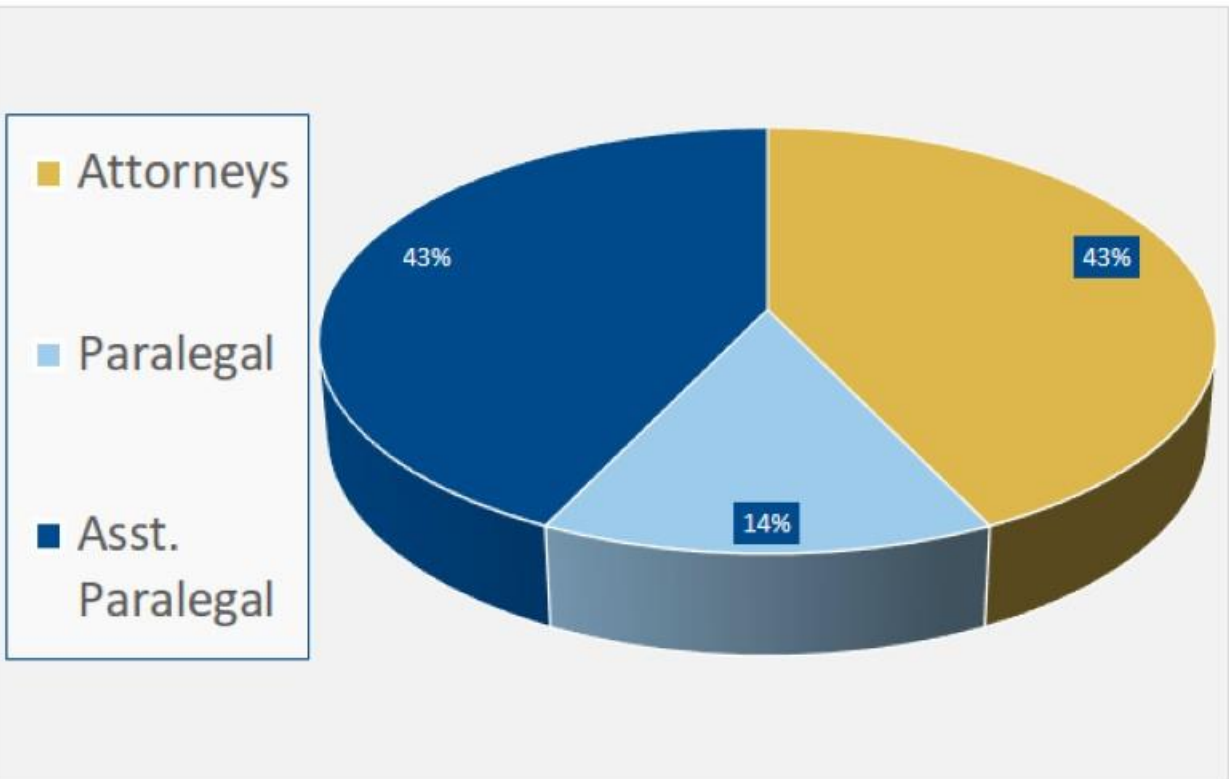
Organization



- Legal advice and interpretation for the SCDMV, other agencies, prosecutors, and defense attorneys
- Defends lawsuits against agencies
- Drafts/reviews all contracts for agency, with emphasis on privacy of personal information
- Handles 6,000-8,000 administrative cases annually

Resources

- 7 total employees
- 3 attorneys
- Total FY18 Budget: \$596,058



Inspector General

Karl McClary

Organization

Karl McClary
Inspector General

Tracey Miller
Internal Audit

Richard Steen
Internal Affairs

Lisa Bird
Dealer Licensing

Betty Cumalander
Fraud

Terry Taylor
Driver Training,
Q&A

Robert Hudson
Training & Change
Management

Actions & Products

Regulations

License & Regulate Driver Training Schools

21,000

- Train and Regulate 3rd Party Testing (2018)
- Class D, Commercial Motor Vehicles and Motorcycles

>500 customer

License & Regulate Vehicle Dealers (2018)

- Internal Investigations
- Internal Audits
- Fraud (2018)
- Assist Law Enforcement (2018)
- Training & Change Management

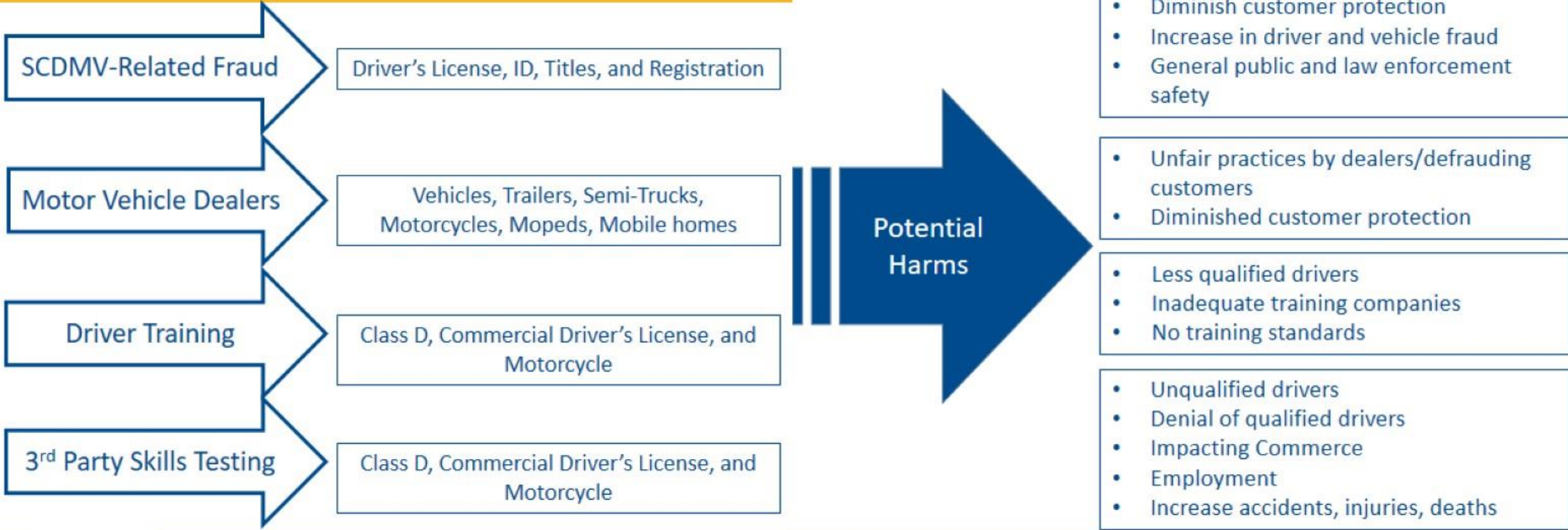
62 Cases

93

430 Cases

2,130 Investigations

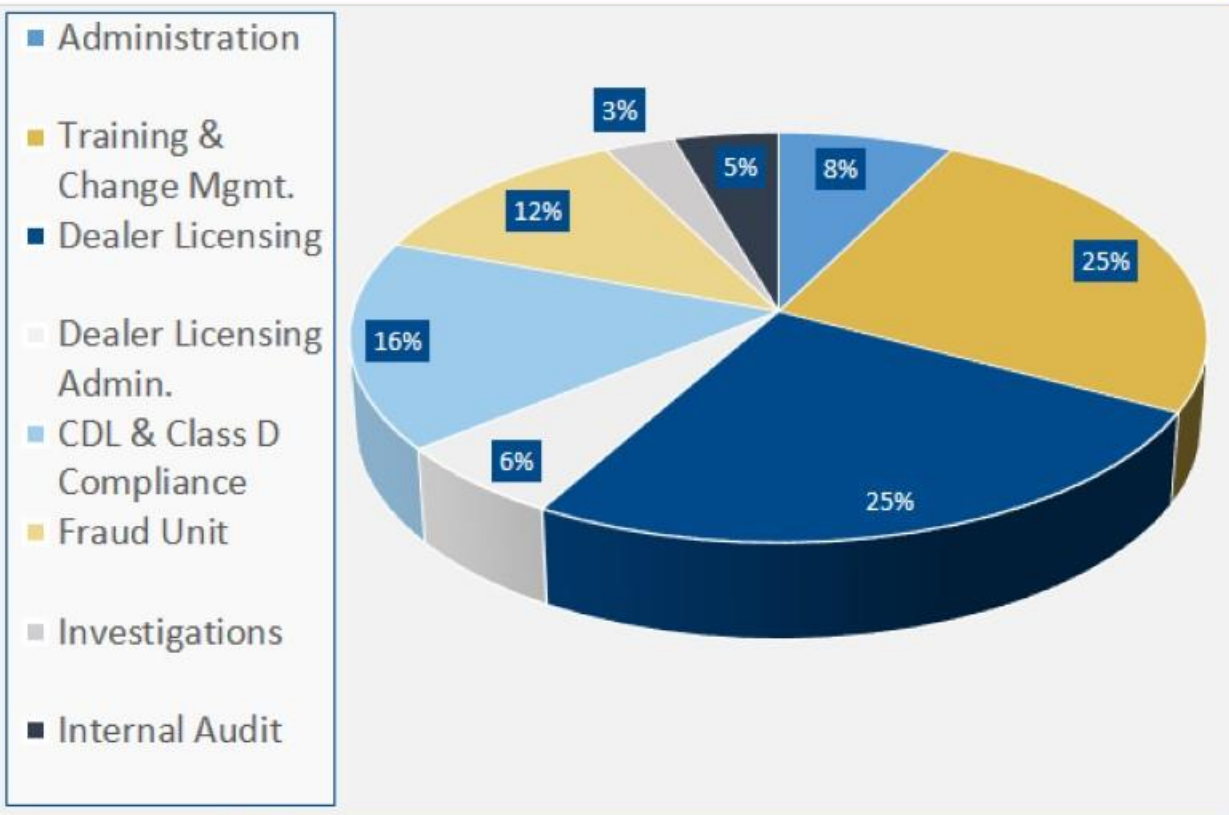
Potential Harms



- Increase highway safety
- Reduce fraud

Resources

- 67 total employees
- 25% work in TCM; 25% in Dealer Licensing
- Total FY18 Budget: \$4,377,791



Agency Goals

Goal #1:

Deliver an excellent customer service experience

- Ensure the average initial wait time for a customer stays below 20 minutes
- Ensure the average initial wait time for a customer calling the SCDMV Contact Center stays below 15 minutes
- Ensure collected revenues are distributed in order to provide financial support to outside organizations
- Reduce backlogs to ensure a five-business day turnaround standard (dealer work, titles, products ordered from scdmvonline.com)

Goal #2:

Modernize customer service delivery methods

- Increase the number of services available online
- Secure legislative support for modernization and efficiency efforts
- Leverage partnerships for deliverability of products and services

Goal #3:

Minimize the risk of fraud and security breaches

- Increase the SCDMV's security posture of its network infrastructure for third party web services transactions to better protect citizens' data
- Number of third party external penetration tests on network infrastructure
- Keep effective measures to reduce fraud and introduce new measures when appropriate

Goal #4:

Invest in employees through development and recognition

- Emphasize career development and employee retention with the agency
- Continue to request funding for employee salary increases and educational opportunities
- Continue existing recognition programs



Legislative Oversight Committee



South Carolina House of Representatives

Committee Mission

Determine if agency laws and programs are being implemented and carried out in accordance with the intent of the General Assembly and whether they should be continued, curtailed or eliminated. Inform the public about state agencies.

Website: <http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php>

Phone Number: 803-212-6810

Email Address: HCommLegOv@schouse.gov

Location: Blatt Building, Room 228