ECONOMIC DEVELOPMENT, TRANSPORTATION, AND NATURAL RESOURCES SUBCOMMITTEE MEETING

Wednesday, February 27, 2019

Contents

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 27, 2019
2:30 p.m. or upon adjournment of the House, whichever is later
108 - Blatt Building
Pursuant to Committee Rule 6.8, S.C. ETV shall be allowed access for internet streaming whenever technologically feasible.

AMENDED AGENDA

I.   **Approval of Minutes**

II.   **Discussion of the study of the Department of Motor Vehicles**

III. **Adjournment**

Chair Wm. Weston J. Newton

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

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

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

Jennifer L. Dobson
Research Director

Cathy A. Greer
Administration Coordinator

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, February 13, 2019
3:00 p.m.
Blatt Room 321

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, February 13, 2019, in Room 321 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 January 23, 2019, meeting. A roll call vote is held, and the motion passes.

Rep. Hewitt's motion to approve the minutes from the January 23, 2019, meeting:	Yea	Nay	Not Voting
Rep. Hewitt	✓		
Rep. Norrell	✓		
Rep. Pendarvis	✓		
Rep. Hixon	✓		

Discussion of the Department of Motor Vehicles (DMV)

I. Chair Hixon swears in the following DMV representatives:

    a. Hayley Belton, Strategic Communications Coordinator
    b. Lisa Bird, Dealer Licensing Manager
    c. Terry Taylor, CDL Compliance Unit Manager
    d. Wesley Belk, IT Infrastructure Manager

II. DMV Executive Director Kevin Shwedo makes opening comments.

III. Ms. Patricia (Trish) Blake, Director of Administration, presents an overview of the organizational unit she leads. Ms. Blake and Director Shwedo respond to Subcommittee member questions during and after the presentation. The following DMV representatives also answer questions from Subcommittee members during the presentation: Ms. Kristin Wicker, Deputy Director of Finance; Mr. Larry Murray, Director of Vehicle Services; and Ms. Laura Bayne, Deputy Director of Legislative Affairs.

IV. Ms. Shirley Rivers, Director of Driver Services, presents an overview of the organizational unit she leads. Ms. Rivers and Director Shwedo respond to Subcommittee member questions during and after the presentation. The following DMV representatives also answer questions from Subcommittee members during the presentation: Mr. Karl McClary, Inspector General; and Ms. Laura Bayne.

V. Director Shwedo and Mr. Michael Baum, DMV Application Systems Manager, respond to Subcommittee member questions related to the follow-up information provided by DMV on January 28, 2019, and February 8, 2019.

VI. Director Shwedo and Mr. Murray address the issue of verification of the county associated with an address for vehicle tax purposes.

VII. Director Shwedo and Mr. Murray respond to member questions about registration of utility or all-terrain vehicles and golf cart permits. Ms. Courtney Saxon, Deputy Director of Field Services, also answers questions on this topic.

VIII.   Mr. Murray presents an overview of the Vehicle Services organizational unit. Mr. Murray and Director Shwedo respond to Subcommittee member questions during and after the presentation.

IX.   Mr. Frank Valenta, General Counsel, presents an overview of the organizational unit he leads. Mr. Valenta and Director Shwedo respond to Subcommittee member questions during and after the presentation.

X.   Mr. Karl McClary, Inspector General, presents an overview of the organizational unit he leads. Mr. McClary and Director Shwedo respond to Subcommittee member questions during and after the presentation.

XI.   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 – Holds **Meeting 3** with the agency to continue discussing its **major programs, successes, challenges, and emerging issues**
- February 27, 2019 (TODAY) – Holds **Meeting 4** with the agency to discuss the agency's **strategic plan** and **performance measures**.

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)

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.

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

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

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

First Vice-Chair:
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Research Analyst/Auditor

Kendra H. Wilkerson
Fiscal/Research Analyst

February 15, 2019

<u>Via Email</u>
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 February 13, 2019

Dear Director Shwedo:

The Economic Development, Transportation, and Natural Resources Subcommittee appreciates the agency's continued partnership in the oversight process. As follow-up from the meeting on February 13, 2019, please provide the following information by Friday, February 22, 2019:

1.   A description of any law changes suggested during the agency's presentations that were not included in the agency's Program Evaluation Report. Please include draft language for the suggested changes, if available. A recommendation may be a concept or identify a potential issue.

2.   A description of the benefits DMV would expect to realize at current funding levels by employing certified law enforcement officers, including an evaluation and estimate of any potential reduction in SLED's workload or costs that may result.

3.   The following information related to lawsuits against the agency:

   a)   For each of the last five years, the amount of money that has been paid out due to these lawsuits;

   b)   Any identifiable trends in the lawsuits over the last five years;

   c)   The source of the money that is paid out;

   d)   Any steps the agency is taking to reduce these payouts; and

   e)   The role the agency's Inspector General plays in efforts to limit payouts.

4. The last time the agency conducted a formal review of its regulations in accordance with the Administrative Procedures Act (S.C. Code § 1-23-120(J)).

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 on February 27, 2019.

Sincerely,

William M. "Bill" Hixon
Subcommittee Chair

cc: Economic Development, Transportation, and Natural Resources Subcommittee Members
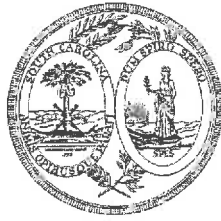
Henry McMaster
Governor

Kevin A. Shwedo
Executive Director

State of South Carolina
Department of Motor Vehicles

Friday, February 22, 2019

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

Dear Representative Hixon,

Following the February 13, 2019 Legislative Oversight Subcommittee meeting, you asked the agency to provide the following information:

1. A description of any law changes suggested during the agency's presentations that were not included in the agency's Program Evaluation Report (PER).
2. A description of the benefits the SCDMV would expect to realize at current funding levels by employing certified law enforcement officers, including an evaluation and estimate of any potential reduction in SLED's workload or costs that may result.
3. Five points related to lawsuits against the agency
4. The last time the agency conducted a formal review of its regulations in accordance with the Administrative Procedures Act (SC Code §1-23-120(J))

Please allow this letter to serve as a response to the inquiries above.

Question 1

There are four primary law changes I would like to draw your attention to that are not mentioned in the PER. These four changes primarily deal with dealer licensing and dealership compliance. The four changes include:

- Tougher penalties for dealers who sell vehicles out of trust
- Broader laws for convictions of crimes or fraud, not just motor vehicle-related fraud (§56-15-350(c))
- Salesman's license for all agents/sales people working for a dealership
- NCIC fingerprint base background check requirement

While the agency does not yet have draft language for each of these changes, the agency looks forward to partnering with members of the legislature to implement these priorities.

Question 2

Currently, the SCDMV forwards **all** suspected criminal violations to the SLED Vehicle Crimes unit for investigation. These cases may involve dealer licensing, driver and/or title fraud, and internal employee investigations. This agency sends SLED the information via email with any supporting documentation. Once SLED receives the information, it reviews and, if appropriate, assigns the case to an agent for investigation.

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Some of the main benefits of employing sworn law enforcement officers include:

- Investigators with comprehensive knowledge of and understanding of SCDMV procedures, laws, systems, and processes
- Full-time investigators dedicated to SCDMV fraud
- Investigators who have regular collaboration between internal audit and other units with this agency
- Investigators that are involved with the development and/or review of legislation and new processes within the SCDMV
- Investigators that can effectively exchange information (fraud trends or investigations) with other states that have sworn law enforcement officers. For example, some states will not share photographs nor other vital information on suspects with the SCDMV since the agency does not have sworn law enforcement officers.

Additionally, employing sworn law enforcement officers within the SCDMV would assist in providing more prompt and efficient dispositions in certain types of cases that the agency currently forwards to SLED for criminal investigation or enforcement.

"Out-of-trust" dealership investigations and title fraud cases involve victims seeking relief in the form of being able to title and register their vehicle. Such cases are particularly time sensitive since victims cannot operate their vehicle until they obtain such relief. The SCDMV anticipates utilizing current employees with experience in these areas as sworn law enforcement officers who could not only reduce SLED's workload, but also reduce the time needed to provide victims with timely resolutions so they can legally operate their vehicle.

The SCDMV's Dealer Licensing unit has seen an increase in the number of "out-of-trust" dealers in the past years. In 2016, SCDMV employees investigated 23 such cases involving 330 customers, 30 in 2017 impacting more than 400 customers, and 37 in 2018 affecting more than 500 customers. Dealers are profiting from out-of-trust sales by retaining funds from the sale of the vehicle, the infrastructure maintenance fee (which replaced sales tax in FY18), and license plate and title fees collected.

By giving the SCDMV sworn law enforcement officer capabilities, the agency anticipates being able to assist even more customers, thus reducing the time they have to wait for titles, registrations, and other vehicle-related documentation following the purchase of a vehicle. Because of SLED's current workload, the SCDMV's ability to assist SLED in investigating vehicle-related crimes will translate to fewer "curb stoners" and "out-of-trust" sales. It is anticipated that this will result in more prosecutions of rogue dealers and "curb stoners" to show that these types of crimes will not go unpunished in South Carolina. However, the SCDMV does not believe this will reduce SLED's current workload, rather enhance enforcement of vehicle-related crimes.

Question 3

a) For each of the last five years, the amount of money that has been paid out due to lawsuits and claims.
   a. 2014: $1,535.00
   b. 2015: $4,736.99
   c. 2016: $14,335.60

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  d. 2017: $638.00

  e. 2018: $2,203.90

b) Any identifiable trends in the lawsuits over the last five years.

There are no identifiable trends. However, there has been an increase in the number of people who pay traffic tickets late but fail to notify the SCDMV of the payments to clear any pending driver's license suspensions. These people believe that the courts should notify the agency that they paid the tickets even though the courts and the SCDMV give the customers specific notice that is it the individual's responsibility to notify the agency. It is too early to see a measureable decrease in lien errors, but the SCDMV does anticipate that the Electronic Lien and Title system will be a major way to reduce human error.

c) The source of money that is paid out.

The Insurance Reserve Fund pays damages for personal injury and property damages. The budget of the SCDMV department that is responsible for the employee who caused the loss pays any other damages.

d) Any steps the agency is taking to reduce these payouts.

Historically, the agency relied on on-the-job training to instruct new employees. Now, however, each Wednesday, branch offices open to the public an hour later than normal (9:30 instead of 8:30) to provide uniform, agency-wide training on the 400-plus types of transactions that the agency's frontline employees, or customer service representatives (CSRs), have to be able to perform.

The agency titled one particular training "Attention to Details, SLOBS." SLOBS is an acronym the agency uses for Signatures, Liens, Odometer, Brands, and Sales price, which are items involved in processing vehicle titles. I have enclosed a copy of that training.

In addition to Wednesday training, the following items assist CSRs in understanding agency policies, procedures, and processes:
- Newsbreaks sent via email and posted to the agency's intranet that contain updates to statutes, policies, or procedures.
- Dealer Connection newsletter distributed to dealer associations and posted to the agency's website and social media pages.
- Dealer training classes.
- Electronic Vehicle Registration provider classes.
- Policies and procedures posted to the agency's intranet.
- Field Services maintains a log of errors that occur in branches which is used to guide Training and Change Management (TCM) on Wednesday training creation.
- TCM conducts two levels of fraud classes: one for new employees and the other for supervisors and managers.

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I have enclosed a training titled "Basic Title and Registration Requirements for Automobile Dealerships" that the agency uses in its dealer training class.

e) The role the agency's Inspector General plays in efforts to limit payouts.

The SCDMV's Office of Inspector General (OIG) utilizes a two-facet approach in its efforts to limit payouts explained below.
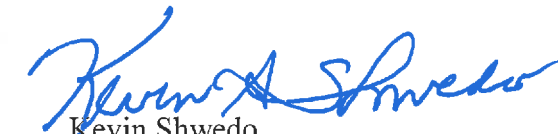
First, the agency's Office of General Counsel notifies the OIG of pending litigation and an investigation begins. The SCDMV's Internal Affairs investigators and fraud inspectors thoroughly review the case, conduct research of records, collect evidence, and interview individuals to determine the case's facts. Typically, the SCDMV's position strengthens when these investigators learn the facts. This is the case even if an SCDMV employee is the one who made an error. In many of these cases, the investigation provides evidence to support that the agency acted in good faith in following laws, regulations, policies, and procedures.

Secondly, the SCDMV uses information obtained from these investigations to create better strategies for assisting the public, train employees, and detect and deter fraud. The OIG's Internal Audit, Internal Affairs, and Fraud units work closely with Training and Change Management staff to modify and introduce new training to address common errors. Those employees also work closely with the SCDMV's Policy and Procedures unit to modify existing or implement new policies and procedures while creating controls to address errors and to detect and deter fraud. Additionally, the Internal Audit unit conducts routine audits to evaluate compliance with policies and procedures and meets with Field Services management and other departments to review and address its findings.

Question 4

The SCDMV has been in contact with the House Regulations and Administrative Procedures Committee and the editor of the State Register to confirm that the agency did not submit the required report in 2017. We are now working with Legislative Council to submit the report and bring the SCDMV into compliance with §1-23-120(J). Our plan is to have this report submitted to Legislative Council by the Legislative Oversight Subcommittee meeting on February 27, 2019. It is our goal to make all SCDMV leadership aware of the requirement to submit the review again in 2022.

Regards,

Kevin Shwedo
Executive Director, SCDMV

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DMV GOALS & PERFORMANCE MEASURES

Goal 1

Resources

Goal 1: Deliver an excellent customer service experience while upholding the existing laws that govern agency operations	2017-18 Actuals			2018-19 Budget			Related Agency Program/ Division
	# of FTEs used	Amount Spent	% of Total Available	# of FTEs using	Amount budgeted	% of Total Budget	
	854.8	$61,283,630.00	56.41%	853	$69,302,600.00	60.76%	
Strategy 1.1: Ensure the average initial wait time for a customer stays below 20 minutes per business day	644.7	$46,218,902.00	42.54%	640.7	$52,050,314.00	45.64%	Customer Service Centers
Strategy 1.2: Ensure Revenues collected are distributed in order to provide financial support to outside organizations	22.6	$1,622,118.00	1.49%	24.2	$1,969,164.00	1.73%	Administration - Support Services Finance
Strategy 1.3: Ensure the average initial wait time for a customer calling the DMV contact center stays below 15 minutes per business day	44.4	$3,181,313.00	2.93%	46.4	$3,770,768.00	3.31%	Customer Service Delivery-Contact Centers
Strategy 1.4: Reduce backlogs to ensure a five-business-day turnaround standard	143.1	$10,261,297.00	9.44%	141.7	$11,512,354.00	10.09%	Customer Service Delivery, Customer Service Centers, Procedures/Compliance

Source: Agency Program Evaluation Report (PER)

Performance Measures Associated with Goal 1

Item #	Measure	Goal re: target		FY14	FY15	FY16	FY17	FY18	FY19
1.1.1	Success rate of meeting or exceeding the Average Initial Wait Time standard of 20 minutes or less	Target:	Meet exactly	100%	100%	100%	100%	100%	100%
		Actual:		99.37%	99.88%	99.81%	99.81%	99.89%	TBD
		Comments:	Average initial wait time captures the time from when a customer receives a queuing ticket to when they first get to a CSRs counter.						
1.2.1	Number of organizations that received funds generated by Fees and Fines collected at DMV	Target:	Meet exactly	124	124	123	123	127	127
		Actual:		124	123	123	123	127	TBD
		Comments:	The Target and Actual totals mainly change depending on the production of new Specialty plates or if no revenues are collected on existing specialty plates.						
1.2.2	Total amount of Fees and Fines revenue distributed to organizations	Target:	Meet exactly	284,422,293.74	294,407,535.16	311,057,063.42	327,912,911.69	337,748,584.96	598,946,262.88
		Actual:		280,388,128.73	296,244,822.30	312,298,011.13	321,664,319.01	593,016,101.86	TBD
		Comments:	With a continued increase in the total number of transactions processed in DMV field offices and via the web, the amount of revenues distributed will continue to increase.						
1.3.1	Success rate of meeting or exceeding the Initial Wait time for the Call Center standard of 15 minutes or less	Target:	Meet exactly	DNE	DNE	DNE	100%	100%	100%
		Actual:		DNE	DNE	DNE	100%	100%	TBD
1.4.1	Success rate for dealer work dropped off at branch offices (standard is a five-day turnaround)	Target:	Meet exactly	100%	100%	100%	100%	100%	100%
		Actual:		99.46%	99.76%	99.86%	99.79%	99.88%	TBD
		Comments:	SCDMV has 9 offices with 3 day turn around times for dealer work (called Dealer Centrals). All other DMV offices will accept and turn around dealer work in 5 days. These standards were coordinated with the various Automobile Dealer Associations in the state.						
1.4.2	Success rate for Titles and Registrations work received at headquarters- processing time (before sent to batch)	Target:	Meet exactly	DNE	DNE	DNE	DNE	100%	100%
		Actual:		DNE	DNE	DNE	0%	0%	TBD
		Comments:	SCDMV is developing metrics for mail tracking, transaction processing times, backlogs, and individual performance measures, by transaction type and refining processes to produce greater efficiencies and improve processing times.						
1.4.3	Success rate for Driver Services work received at headquarters	Target:	Meet exactly	DNE	DNE	DNE	100%	100%	100%
		Actual:		DNE	DNE	DNE	100%	100%	TBD
		Comments:	SCDMV Driver Services views work received and the amount of transactions each employee processes on a daily basis. Standards are developed to ensure that employees meet the requirements as outlined.						

Item #	Measure		Goal re: target	FY14	FY15	FY16	FY17	FY18	FY19
1.4.4	Success rate for Alternative Media work received at headquarters	Target:	Meet exactly	DNE	DNE	DNE	100	100%	100%
		Actual:		DNE	DNE	DNE	99%	99%	TBD
2.1.1	Total transactions completed in field offices	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	DNE	5,960,389
		Actual:		7,692,697	7,035,945	6,612,176	6,479,779	6,622,655	TBD
		Comments:	Reduction in transactions in field offices would decrease operational cost and customer wait times. SCDMV FTE workforce has stayed relatively consistent however transactions processed have increased on the average of 5 percent per year.						
2.1.2	Number of transactions completed via members of the public online	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	817,297	891,473
		Actual:		DNE	DNE	DNE	742,997	810,430	TBD
		Comments:	More online transactions reduces in person DMV visits. This metric also includes other forms of distributed transaction capabilities						
2.1.3	Number of transactions completed by government or business partners online	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	9,150,236	10,077,588
		Actual:		DNE	DNE	DNE	8,318,396	9,161,444	TBD
		Comments:	More online transactions reduces in person DMV visits for business and governmental agencies. Our goal is to increase access to DMV transactions and information to business partners, outside of DMV offices.						
2.3.1	Number of 3rd party driving tests conducted	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	24,833	24,801
		Actual:		12,184	14,065	16,597	22,792	20,806	TBD
2.3.3	Number of counties participating in CIDRs2	Target:	Meet exactly	DNE	DNE	DNE	DNE	46	46
		Actual:		DNE	DNE	DNE	33	34	TBD
		Comments:	34 of 46 Counties currently offer some form of CIDRs (County Issuance of Decals and Registrations System) transaction, which allows citizens in those counties to pay their taxes and receive their vehicle registration/stickers without visiting a DMV office.						
4.1.1	Turnover rate	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	18.50%	18.50%
		Actual:		DNE	DNE	DNE	DNE	23.90%	TBD
4.3.2	Percentage of employees with >10 years DMV experience	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	33%	33%
		Actual:		DNE	DNE	DNE	DNE	41.20%	TBD

DNE = Did not exist

Source: Agency Program Evaluation Report (PER)

Goal 2

Resources

Goal 2: Modernize customer delivery service methods	2017-18 Actuals			2018-19 Budget			Related Agency Program/ Division
	# of FTEs used	Amount Spent	% of Total Available	# of FTEs using	Amount budgeted	% of Total Budget	
	141.8	$10,168,982.00	9.36%	152.5	$12,385,959.00	10.86%	
Strategy 2.1: Increase amount of services available online	88.1	$6,316,138.00	5.81%	98	$7,959,370.00	6.98%	Customer Service Delivery, Customer Service Centers, IT, Procedures and Compliance
Strategy 2.2: Secure legislative support for modernization and efficiency efforts	9.8	$705,588.00	0.65%	10.7	$870,738.00	0.76%	Administration - Chief of Staff - Legislative Affairs
Strategy 2.3: Leverage partnerships for deliverability of products and services	43.9	$3,147,256.00	2.90%	43.8	$3,555,851.00	3.12%	Customer Service Delivery, Customer Service Centers, IT Inspector General

Source: Agency Program Evaluation Report (PER)

Performance Measures Associated with Goal 2

Item #	Measure		Goal re: target	FY14	FY15	FY16	FY17	FY18	FY19
2.1.1	Total transactions completed in field offices	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	DNE	5,960,389
		Actual:		7,692,697	7,035,945	6,612,176	6,479,779	6,622,655	TBD
		Comments:	Reduction in transactions in field offices would decrease operational cost and customer wait times. SCDMV FTE workforce has stayed relatively consistent however transactions processed have increased on the average of 5 percent per year.						
2.1.2	Number of transactions completed via members of the public online	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	817,297	891,473
		Actual:		DNE	DNE	DNE	742,997	810,430	TBD
		Comments:	More online transactions reduces in person DMV visits. This metric also includes other forms of distributed transaction capabilities						
2.1.3	Number of transactions completed by government or business partners online	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	9,150,236	10,077,588
		Actual:		DNE	DNE	DNE	8,318,396	9,161,444	TBD
		Comments:	More online transactions reduces in person DMV visits for business and governmental agencies. Our goal is to increase access to DMV transactions and information to business partners, outside of DMV offices.						
2.2.1	Percentage of DMV legislative priorities passed by General Assembly	Target:	Meet exactly	DNE	DNE	DNE	100%	100%	100%
		Actual:		DNE	DNE	DNE	66.67%	66.67%	TBD
		Comments:	The need for extended implementation timelines and the response time required for Fiscal Impact Statements present challenges for the DMV at the legislature.						
2.2.2	Percentage of modernization/efficiency efforts achieved versus programmed	Target:	Meet exactly	DNE	DNE	DNE	100%	100%	100%
		Actual:		DNE	DNE	DNE	63%	65%	TBD
2.3.1	Number of 3rd party driving tests conducted	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	24,833	24,801
		Actual:		12,184	14,065	16,597	22,792	20,806	TBD
2.3.2	Percentage of convictions processed by the DMV within the federal turnaround standard (within 10 days of conviction)	Target:	Meet exactly	DNE	DNE	DNE	DNE	100%	100%
		Actual:		DNE	DNE	DNE	56%	90%	TBD
		Comments:	The federal standard for transmitting CMV and CDL convictions to other jurisdictions is 90 percent of convictions transmitted within 10 days.						
2.3.3	Number of counties participating in CIDRs2	Target:	Meet exactly	DNE	DNE	DNE	DNE	46	46
		Actual:		DNE	DNE	DNE	33	34	TBD
		Comments:	34 of 46 Counties currently offer some form of CIDRs (County Issuance of Decals and Registrations System) transaction, which allows citizens in those counties to pay their taxes and receive their vehicle registration/stickers without visiting a DMV office.						

DNE = Did not exist

Source: Agency Program Evaluation Report (PER)

Goal 3

Resources

Goal 3: Minimize the risk of fraud and breaches	2017-18 Actuals			2018-19 Budget			
	# of FTEs used	Amount Spent	% of Total Available	# of FTEs using	Amount budgeted	% of Total Budget	Related Agency Program/ Division
	102.5	$7,349,168.00	6.76%	106.8	$8,675,219.00	7.61%	
Strategy 3.1: Increase SC DMV security posture of our network infrastructure for B2B (third party web services) transactions to better protect SC citizens' data	48.7	$3,488,816.00	3.21%	51.4	$4,174,694.00	3.66%	Technology and Product Development (IT), Chief of Staff-Administration (ISO)
Strategy 3.2: Number of 3rd party external penetration test on network infrastructure	7.3	$523,640.00	0.48%	7.7	$626,730.00	0.55%	Technology and Product Development (IT), Chief of Staff-Administration (ISO)
Strategy 3.3: Keep effective measures to reduce fraud and introduce new measures when appropriate	46.5	$3,336,712.00	3.07%	47.7	$3,873,795.00	3.40%	Technology and Product Development (IT), Chief of Staff-Administration (ISO), Inspector General

Source: Agency Program Evaluation Report (PER)

Performance Measures Associated with Goal 3

Item #	Measure		Goal re: target	FY14	FY15	FY16	FY17	FY18	FY19
3.1.1	Reduce false positive alerts found in network infrastructure	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	100% Reduction	100% Reduction
		Actual:		DNE	DNE	DNE	DNE	111	TBD
		Comments:	False positive alerts are harmless notifications to network events. A high percentage of false positive increases workload unnecessarily.						
3.1.2	The number of identified critical external vulnerabilities	Target:	Meet exactly	DNE	DNE	DNE	0	0	0
		Actual:		DNE	DNE	DNE	5	0	TBD
3.1.3	Reduced percentage of vulnerabilities identified by weekly scans	Target:	Meet exactly	DNE	DNE	DNE	DNE	100%	100%
		Actual:		DNE	DNE	DNE	DNE	86%	TBD
3.2.1	Number of internal 3rd party vulnerability audits	Target:	Meet or obtain higher value	DNE	DNE	DNE	1	1	0
		Actual:		DNE	DNE	DNE	1	0	TBD

Item #	Measure		Goal re: target	FY14	FY15	FY16	FY17	FY18	FY19
3.2.2	Number of 3rd party external penetration test on network infrastructure	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	4	4
		Actual:		DNE	DNE	DNE	1	0	TBD
3.2.3	Number of audits conducted on branch offices; headquarter business units and external partners	Target:	Meet or obtain higher value	17	17	17	17	17	17
		Actual:		20	24	26	18	16	TBD
3.2.4	Percentage of applicants randomly recalled that pass the DMV-conducted driving exam	Target:	Meet exactly	100%	100%	100%	100%	100%	100%
		Actual:		91%	86%	86%	88%	93%	TBD
		Comments:	This metric shows the quality of instruction being provided by third party organizations and their adherence to DMV testing standards.						
3.3.1	Number of investigations dealing with potential fraud referred to SLED	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	432	487
		Actual:		573	587	499	480	541	TBD
		Comments:	This is an area where SCDMV could be of great assistance to SLED and the citizens who are victims of SCDMV related crimes. We receive many complaints of vehicle and driver related crimes that go unresolved because of other priorities that local and state law enforcement must respond to. Giving SCDMV law enforcement capabilities would allow SCDMV to focus on allegations of identity theft, driver's license fraud, title fraud, dealer fraud matters, and other such cases that cost the taxpayers' money and the state lost revenue.						
3.3.2	Number of employees participating in training to recognize and identify fraud	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	198	204
		Actual:		123	115	106	180	157	TBD
3.3.3	Number of internal affairs investigations involving fraud	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	5	10
		Actual:		17	18	13	6	15	TBD

DNE = Did not exist

Source: Agency Program Evaluation Report (PER)

Goal 4

Resources

Goal 4: Invest in employees through development and recognition opportunities	2017-18 Actuals			2018-19 Budget			Related Agency Program/ Division
	# of FTEs used	Amount Spent	% of Total Available	# of FTEs using	Amount budgeted	% of Total Budget	
	87.4	$6,260,839.00	5.76%	81.6	$6,623,305.00	5.81%	
Strategy 4.1: Emphasize career development and employee retention within the DMV	84.6	$6,062,022.00	5.58%	78.5	$6,376,209.00	5.59%	All DMV Departments
Strategy 4.2: Continue to request funding for employee increases and educational opportunities	2.1	$149,070.00	0.14%	2.3	$184,867.00	0.16%	All DMV Departments
Strategy 4.3: Continue existing recognition program	0.7	$49,747.00	0.05%	0.8	$62,229.00	0.05%	All DMV Departments

Source: Agency Program Evaluation Report (PER)

Performance Measures Associated with Goal 4

Item #	Measure		Goal re: target	FY14	FY15	FY16	FY17	FY18	FY19
4.1.1	Turnover rate	Target:	Meet or obtain lower value	DNE	DNE	DNE	DNE	18.50%	18.50%
		Actual:		DNE	DNE	DNE	DNE	23.90%	TBD
4.1.2	Number of employees participating in a structured external development program	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	10	10
		Actual:		DNE	DNE	DNE	DNE	8	TBD
		Comments:	An example of a structured external development program is the Certified Public Manager Program administered by the Department of Admin. At any given time, 2-3 employees enter the program per year. AAMVA leadership school is another example.						
4.1.3	Percent of internal candidates selected for positions	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	50%	50%
		Actual:		DNE	DNE	DNE	DNE	54.45%	TBD
4.1.4	Number of internal structured training sessions available for employees	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	192	184
		Actual:		147	156	130	164	180	TBD
		Comments:	A large amount of the training sessions happen every Wednesday morning, when the DMV is closed to the public for the first hour of the business day. DMV staff undergoes training to address gaps or educate on new requirements.						
4.2.1	Percentage of DMV positions that are paid at or above the state average	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	50%	50%
		Actual:		DNE	DNE	DNE	DNE	28.63%	TBD
4.3.1	Number of award nominations received for notable employee achievements	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	864	885
		Actual:		DNE	DNE	DNE	DNE	258	TBD
4.3.2	Percentage of employees with >10 years DMV experience	Target:	Meet or obtain higher value	DNE	DNE	DNE	DNE	33%	33%
		Actual:		DNE	DNE	DNE	DNE	41.20%	TBD

DNE = Did not exist
Source: Agency Program Evaluation Report (PER)

DMV DELIVERABLES

Item #	Deliverable	Required by law?	Associated Org Unit	Additional comments from agency	Recommendations to the General Assembly
1	Share information with the federal government, other states, state agencies, and local government	Required	All Directorates	The SCDMV does not charge state entities for information. Per the Agency's FY15 Activity Based Costing Study, "Sale of Information" cost $2.73 per transaction. For Bulk Data, the cost to the Agency is $0.65 per transaction.	1. Codify the DMV's sale of information proviso
2	Retain records, collect data, and share public information	Required	All Directorates Operations /Communications	The agency evaluates customer satisfaction in a passive manner, taking and evaluating feedback when proactively given.	
3	Distribution of funding to other state agencies or accounts	Required	Administration	Several sections of law designate the Comptroller General's office as the entity to distribute funds, but the DMV (in practice) distributes all revenue it collects.\n\nThe Department of Revenue previously collected 1/2 - 2/3 of the revenue DMV collects when it was a sales tax rather than an infrastructure maintenance fee.	1. The DMV recommends legislation allowing the agency to not charge sales tax on driver handbooks and manuals.
4	Distribution of funding to high schools, colleges and universities	Required	Administration		
5	Distribution of funding to third-party organizations	Required	Administration		
6	Distribution of funding to counties and local government	Required	Administration		
7	Collects funds retained by the DMV for limited purposes	Required	Administration		1. Establish a technology fee to be used for future system modernization projects.
8	Distribution of funding directed, but no revenue is being collected	Required	Administration		
9	Driver's License Issuance	Required	Driver Services Operations/Field Services Inspector General	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions. CDL examinees are provided with feedback surveys.	

Item #	Deliverable	Required by law?	Associated Org Unit	Additional comments from agency	Recommendations to the General Assembly
10	Identification Card Issuance	Required	Driver Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. Eliminate $1 fee associated with veteran's status 2. Limit free ID card issuance to one time per issuance cycle and charge for replacements. 3. Change issuance period to every eight years to coincide with driver's license expiration (and the maximum issuance period for a REAL ID).
11	Driver's License and Vehicle Provisions specific to members of the military	Required	Driver Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
12	Driver's License Endorsements/Indicator	Required	Driver Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. The SC Code allows the DMV to use a symbol to indicate a medical condition. Due to real estate and programming considerations, the DMV would request future legislation requiring indicators for specific conditions be limited. This recommendation is not noted in Section B.16 of the Program Evaluation Report Word document as there is no recommended legislation associated.
13	Restricted Driver's Licenses	Required	Driver Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
14	The application of violations, suspensions, and driver's license revocations	Required	Driver Services General Counsel Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
15	Issue commercial driver's licenses per state and federal laws and regulations	Required	Driver Services Operations/Field Services Inspector General	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions. Per the Agency's FY15 Activity Based Costing Study, the cost per transaction to issue a CDL License totals $44.88. A CDL Skills Test cost the agency 138.23 per transaction.	1. Change state law to have non-HAZMAT CDLs expire eight years from issuance date.

Item #	Deliverable	Required by law?	Associated Org Unit	Additional comments from agency	Recommendations to the General Assembly
16	Administer the state's financial responsibility program, ensuring state-mandated insurance coverage for drivers on the road	Required	Driver Services	State law does require penalties be assessed if financial responsibility isn't maintained, but the DMV does not charge for recording an individual's proof of insurance. Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. Allow individuals to register mopeds even if they owe a financial responsibility penalty for other vehicles.
17	Administer the state's uninsured motorist provisions	Required	Driver Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
18	Provide needed information for Voter Registration and Jury Duty to the Election Commission and Court Administration	Required	Driver Services Operations/Field Services		
19	Provide information to medical donation programs, such as Donate Life	Required	Driver Services Operations/Field Services	Any agency could register organ donors and collect donations for the organization.	
20	Investigate DMV-related fraud	Required	Inspector General	The agency tracks the number of fraud incidents reported, and takes appropriate action to resolve individual issues, but does not have a formal evaluation process.	1. Give DMV law enforcement capability to administer and enforce the provision of Chapter 19 and Chapter 21 of Title 16.
21	License and regulate motor vehicle dealers	Required	Inspector General	Agency communicates with dealer to learn how we can serve them better, but does not have an official evaluation process.	1. Amend existing law to increase penalties and require minimum sentencing for vehicle dealers engaging in unfair practices. 2. Amend existing law to allow the Department to consider additional crimes/fraudulent acts when considering an applicant for a vehicle dealer license. 3. Recommend the General Assembly determine if there is a need to regulate moped dealers.

Item #	Deliverable	Required by law?	Associated Org Unit	Additional comments from agency	Recommendations to the General Assembly
22	License and Regulate Driver Training Schools	Required	Inspector General Driver Services	The agency does not have an official evaluation process, but hold annual meetings with training schools to obtain feedback.	1.Repeal regulations. Allow the Department to establish minimum standards as provided by SC Code of Laws 56-23-60. Often the industry presents practical ideas that do not compromise the quality of the training or impose any hardship to the consumer, however the agency is restricted by regulations that prevent implementing the change/improvement.
23	License and Regulate Third Party Testers	Required	Inspector General	Law requires that the agency randomly select customers that receive the service to be retested.	
24	Issue titles (ownership documents) reflective of any lien information and brands	Required	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. Establish state law honoring other jurisdiction's or manufacturer's title branding ("for off road use only," "non-repairable," etc.)
25	Register vehicles for on-road use	Required	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. Allow individuals to register mopeds even if they owe a financial responsibility penalty for other vehicles.
26	Issue temporary license plates for use on vehicles before registration is complete	Required	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
27	Issue license plates based on specific type/use of the vehicle or specific need of the driver (includes placards)	Required	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
28	Issue license plates based on specific type/use of the vehicle or specific need of the driver (includes placards)	Allow	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	
29	Issue specialty/personalized license plates	Required	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. Standardize fees associated with military plates
30	Issue specialty/personalized license plates	Allow	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.	1. Standardize fees associated with military plates

Item #	Deliverable	Required by law?	Associated Org Unit	Additional comments from agency	Recommendations to the General Assembly
31	Ensure state and federal provisions relating to Motor Carriers, including IFTA and IRP, are enforced	Required	Vehicle Services Operations/Field Services	Customer satisfaction is evaluated through stakeholder and customer discussions and comments via website, and interactions.

The Department of Revenue previously administered much of the financial provisions of the Motor Carrier program when the money collected was considered a tax rather than an Infrastructure Maintenance Fee. | 1. Charge IMF based on vehicle weight rather than value- wear and tear on roads are based on the weight of the vehicle, not the value. It complicates other states' processes in remitting fees to SC, as well. |

Source: Agency Program Evaluation Report (PER)

South Carolina Department of Motor Vehicles

Legislative Oversight Committee
February 27, 2019

Economic Development, Transportation, and Natural Resources Subcommittee Meeting

SCDMV

Agenda

Goal and Strategy development overview

- Goal 1: Deliver an excellent customer service experience
- Goal 2: Modernize customer service delivery methods
- Goal 3: Minimize the risk of fraud and security breaches
- Goal 4: Invest in employees through development and recognition

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Goal & Strategy Development

- 2018 Accountability Report
- Four goals represent agency's highest priorities
- Created in accordance with Department of Administration guidelines
- Not reflective of everything the agency strives for nor measures

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Goal #1:
Deliver an excellent customer service experience

- Ensure the average initial wait time for a customer stays below 20 minutes per business day

- Ensure the average initial wait time for a customer calling the SCDMV Contact Center stays below 15 minutes per business day

- Ensure collected revenues are distributed in order to provide financial support to outside organizations

- Reduce backlogs to ensure a five-business day turnaround standard

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Goal #1:
Deliver an excellent customer service experience

- Administration, Operations, Driver Services, Vehicle Services, Inspector General, Plate Replacement
  - Amount budgeted: $60,366,905
  - Responsible units/employees: 826.5 equivalent FTEs
- Performance measures:
  - Success rate of meeting standards, number of organizations that received funds generated by fees and fines collected at the agency, total amount distributed to organizations

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Goal #1, Strategy #1: Avg. initial wait time in branches below 20 minutes

- Administration, Operations, Inspector General, Plate Replacement
  - Amount budgeted: $43,852,359
  - Staff time allocated: 600.4 equivalent FTEs

- Relationships and resources:
  - CIDRs
  - EVR/ELT
  - Third Party Testers
  - Plate Replacement
- Success rate of meeting or exceeding standard
  - FY2018: 99.89%
- Workforce training

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Goal #1, Strategy #2: Avg. wait time when calling below 15 minutes

- Administration, Vehicle Services, IT
  - Amount budgeted: $3,493,910
  - Staff time allocated: 47.8 equivalent FTEs

- Relationships and resources:
  - VOIP upgrade
    - Courtesy callback
  - Requested analytics
- Success rate of meeting standard
  - FY2018: 100%

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Goal #1, Strategy #3: Revenue timely distributed to outside agencies

- Administration, IT, Inspector General
  - Amount budgeted: $1,700,929
  - Staff time allocated: 23.3 equivalent FTEs
- Relationships and resources:
  - State and local government
  - K-12 and higher education
  - Private business
  - Non-profit entities

- Performance measures
  - FY2018: 127 organizations received funds generated by fees and fines collected at the SCDMV
  - FY2018: $593,016,101.86 amount of fees and fines revenue distributed to organizations
- Distribution time to outside entities doubled
- $300m, $700m, $1b

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Goal #1, Strategy #4: Five-business day turn around for mail-in processes

- Administration, Driver Services, Operations, Vehicle Services,
  - Amount budgeted: $11,319,706
  - Staff time allocated: 155.0 equivalent FTEs
- Relationships and resources:
- State and local government
- Private business

- Performance measures
  - FY2018: 100% success rate for citations, ALRs, reinstatement fees
  - FY2018: 0% success rate for titles and registration work received at Headquarters – processing time
  - FY2018: 99% success rate for Alternative Media work received at Headquarters
  - FY2018: 99.88% success rate for dealer work dropped off at branches

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Goal #1:
Recommended law changes

- Strengthen dealer laws
  - Out-of-trust sales, curb stoners, eliminate rogue dealer "revolving door"
- Enforcement capabilities
- CDL valid for eight years from issue date versus five
  - Outside of hazmat endorsement
  - H. 3789 currently in the House

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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

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Goal #2:
Modernize customer service delivery methods

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

- Amount Budgeted: $11,081,694

- Staff time allocated: 151.7 equivalent FTEs

- Performance Measures
  - Transactions completed in person, online, by gov't or business partners, percent of legislative priorities passed by GA, modernization/efficient efforts achieved, TPT driving tests conducted, E-Citation rate, CIDRs2 participation

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Goal #2, Strategy #1: Increase the number of services available online

- Administration, Operations, Vehicle Services, Driver Services
  - Amount budgeted: $6,842,981
  - Staff time allocated: 93.7 equivalent FTEs
- Relationships and resources:
  - State and local government
  - Private business

- Performance measures
  - FY2018: 6.6 million transactions completed in person
  - FY2018: 810k transactions completed by public online
  - FY2018: 9.1 million transactions completed online by gov't or business partners

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Goal #2, Strategy #2: Secure legislative support for modernization & efficiency effort

- Administration, IT
  - Amount budgeted: $759,726
  - Staff time allocated: 10.4 equivalent FTEs
- Relationships and resources:
- State and local government
- Private business

- Performance measures
  - FY2018: 66.67% of SCDMV legislative priorities passed by General Assembly
  - FY2018: 65% of modernization/efficiency efforts achieved versus programmed

Goal #2, Strategy #3: Leverage partnerships for deliverability of products & services

- Administration, Inspector General, Vehicle Services, Driver Services, IT
  - Amount budgeted: $3,478,986
  - Staff time allocated: 47.6 equivalent FTEs

- Relationships and resources:
  - State, local, federal government
  - Private business

- Performance measures
  - FY2018: 20,806 third party driving tests conducted
  - FY2018: 90% of convictions processed by the SCDMV within the federal turnaround standard
  - FY2018: 34 counties participating in CIDRs2

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Goal #2:
Recommended law changes

- Expedite fee for in-person transactions if also offered online
  - Money to General Fund

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

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Goal #3:
Minimize the risk of fraud and security breaches

- Administration, IT, Inspector General
  - Amount budgeted: $7,578,523
  - Staff time allocated: 103.8 equivalent FTEs

- Performance measures
  - Reduce false positives, number of identified critical external vulnerabilities, reduce percent of vulnerabilities, number of third party vulnerability audits, number of 3rd party external penetration tests, branch office and headquarter audits, applicants randomly recalled, fraud training

Goal #3, Strategy #1:
Security posture of network infrastructure to better protect citizens' data

- Administration, IT
  - Amount budgeted: $3,502,759
  - Staff time allocated: 48.0 equivalent FTEs

- Relationships and resources:
- State and local government
- Private business

- Performance measures
  - FY2018: 111 false positives found in network infrastructure
  - FY2018: 0 identified critical external vulnerabilities
  - FY2018: 86% reduction in vulnerabilities
- Data-at-Rest encryption
- End-to-End encryption
- Disaster Recovery
  - Coordinated security efforts with DIS

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Goal #3, Strategy #2:
Number of third party external penetration tests on network infrastructure

- Administration, IT
  - Amount budgeted: $525,587
  - Staff time allocated: 7.2 equivalent FTEs
- Relationships and resources:
  - State and local government
  - Private business

- Performance measures
  - Routine internal security scans
  - Third party vulnerability and external penetration test
- Patch Tuesdays
- Multi-factor authentication and establishment of VPNs

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Goal #3, Strategy #3:
Keep ongoing and introduce new effective measures to reduce fraud

- Inspector General, IT, Administration
  - Amount budgeted: $3,550,759
  - Staff time allocated: 48.6 equivalent FTEs
- Relationships and resources:
  - State, local, federal government
  - Private business

- Performance measures
  - FY2018: 541 investigations dealing with potential fraud referred to SLED
  - FY2018: 157 employees participated in fraud training
  - FY2018: 15 internal affairs investigations involving fraud
  - FY2018: 16 audits conducted on branches, headquarters offices, external parties
  - FY2018: 93% of applicants randomly recalled that passed SCDMV-conducted driving test

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Goal #3:
Recommended law changes

- Enforcement capabilities

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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

Goal #4:
Invest in employees through development and recognition

- All departments
  - Amount budgeted: $6,925,689
  - Staff time allocated: 94.8 equivalent FTEs
- Relationships and resources:
  - Training Opportunities
  - Employee Recognition Program

- Performance measures
  - Turnover rate, employees participating in structured external development programs, percent of internal candidates selected for positions, number of internal structured training programs, percent of positions paid at or above state average, award nominations received for notable achievements, percent of employees with >10 years SCDMV experience

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Goal #4, Strategy #1:
Emphasize career development & employee retention

- All departments
  - Amount budgeted: $6,706,816
  - Staff time allocated: 91.8 equivalent FTEs

- Relationships and resources:
  - TCM
  - CPM
  - Outside training

- Performance measures
  - FY2018: 23.9% turnover rate
  - FY2018: 8 employees participating in structured external development program
  - FY2018: 54.45% internal candidates selected for positions
  - FY2018: 180 internal structured training sessions available for employees

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Goal #4, Strategy #2:
Request funding for employee salary increases & education

- Administration
  - Amount budgeted: $164,155
  - Staff time allocated: 2.2 equivalent FTEs
- Relationships and resources:
  - Comparison to other cabinet agencies
  - Transition from non-appropriated to appropriated

- Performance measures
  - FY2018: 71.37% of positions paid below state average for same position classification

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Goal #4, Strategy #3:
Continue existing recognition programs

- Administration
  - Amount budgeted: $54,718
  - Staff time allocated: 0.7 equivalent FTEs

- Relationships and resources:
  - In-house created recognition program
  - Utilize current resources

- Performance measures
  - FY2018: 258 award nominations received for notable employee achievements
  - FY2018: 41.2% of employees with >10 years SCDMV experience

SCDMV

Goal #4:
Recommended law changes

- Maintain current statutory authority

SCDMV

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