

**THE DEPARTMENT OF MOTOR VEHICLES
FY2013 BUDGET HEARING**



**Testimony of
Lucinda Babers, Director
Department of Motor Vehicles**

**Before the
Committee on the Environment,
Public Works and Transportation
Mary Cheh, Chairperson**

**Wednesday, March 28, 2012
11:00 am – Room 412
The Wilson Building
Washington, DC**

Good Afternoon, Chairperson Cheh, members of the Committee and Council, and your staffs. My name is Lucinda Babers, and I am the Director of the District's Department of Motor Vehicles. Today I am here to share information related to the Mayor's FY13 proposed budget for the Department of Motor Vehicles.

Prior to all of my hearings, I like to extend a special thanks to the men and women in the department whose dedication and efforts make it possible for us to service the customers of the District. I am delighted to call such dedicated individuals my "co-workers" and thank them for allowing me to be a part of Team DMV.

The FY13 proposed budget continues to support our Department's mission to provide excellent customer service and to promote public safety by ensuring the safe operation of motor vehicles. DMV provides service to approximately 490,000 licensed drivers/identification card holders and 280,000 registered vehicles at three service centers. We provide adjudication services and collect ticket payments for almost 2.6 million tickets each year. We also conduct over 190,000 annual vehicle inspections. DMV interacts with DC residents and non-residents, with an average of 3,200 daily customer contacts, more than almost any other District government agency.

DMV has seven divisions comprising our FY13 proposed budget of \$37.42M. This represents a 2.3% decrease from the FY12 budget. The FY13 proposed budget also reduces our FTE level from 233 to 223. The DMV's proposed FY13 \$37.42M budget is composed of the following fund amounts: \$24.3M in local funds which include 177 FTEs, \$9.7M in special purpose revenue funds which include 46 FTEs and \$3.4M in Intra-District funds.

To arrive at our FY13 Current Services Funding Level, there were several across the board measures taken. This included removing the one-time cost of \$225,000 which was provided in FY12 for technology enhancements, increasing personal services by 0.5% to account for step increases, increasing non-personal services by 2% to account for inflation and adjusting fringe benefits by 7%.

Our proposed FY13 budget does include one major financial change. Instead of DMV transferring funds through the intra-district process to the Office of Finance and Treasury (OFT) for cashier services, the funds, in the amount of \$853k, have been transferred from DMV to OFT. This transfer will not have any actual operational change. Additionally, DMV will receive a one-time increase of \$100,000 to program our system to allow the Office of Tax and Revenue to offset or withhold tax refunds for residents who owe outstanding DMV debt (i.e., tickets).

The proposed FY13 budget contains a \$1.45M increase in special purpose funds. This increase is mainly a reflection of the FY12 policy decision to eliminate special purpose fund balance, and our need to adjust the FY13 budget to reallocate these funds. The FY13 budget also reflects the elimination of \$2.15M in local funds for the ticket collection contract because this function is being absorbed in a new Central Collection Unit managed by Treasury. There is also a corresponding reduction of \$1.87M in the Metropolitan Police Department's intra-district transfer to DMV for collection activity related to photo enforcement. Overall, the FY13 proposed DMV budget will allow us to meet our operational responsibilities with some necessary belt tightening.

DMV's FY13 proposed budget acknowledges that due to the District's increasing population, we are unable to make sweeping changes such as closing additional

facilities or further reducing personnel. Instead, the proposed budget allows us to continue providing our core services as we look for innovative methods to achieve operational efficiencies. However, we encourage customers to increase their use of over 30 online services to reduce customer volume at our locations. For those without online access, which is also available at all DC public libraries, most services can also be completed by mail. Lastly, the FY13 proposed budget reiterates that public safety and fiscal stability are major priorities of this Administration.

We appreciate the support we've received from the Council and under your leadership, this Committee and your staff. We look forward to continuing our efforts to maximize efficiencies to improve the quality of service to the District of Columbia. It would be our pleasure to respond to any questions you may have.

XXXX