

**NEVADA DEPARTMENT
OF MOTOR VEHICLES**

BUDGET OVERVIEW
PRESENTED TO

**Senate Finance
&
Assembly Ways and Means**

January 29, 2015





Department of Motor Vehicles

NRS 481

DEPARTMENT OVERVIEW



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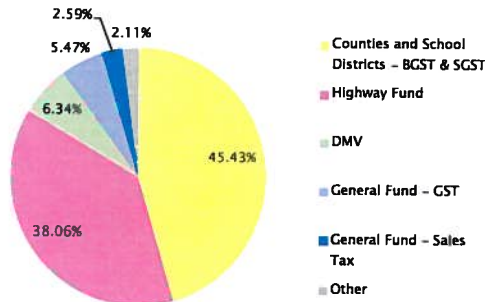
Department Overview



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Revenue Distribution

Distributed to	Total FY14
Counties and School Districts – BGST & SGST	\$ 517,467,348
Highway Fund	\$ 433,558,792
DMV	\$ 72,208,167
General Fund – GST	\$ 62,267,317
General Fund – Sales Tax	\$ 29,494,283
Other	\$ 24,012,190
	\$ 1,139,008,097



Highway Fund Revenue Highlights (Blue Book)

- From FY13 to FY14 – Increase of 2.85%
- Each revenue stream for FY16/17 Blue Book reviewed for historical trends and known and anticipated changes
- FY16 projected growth of 1.24% - \$446,344,498
- FY17 projected growth of 1.26% - \$451,975,373

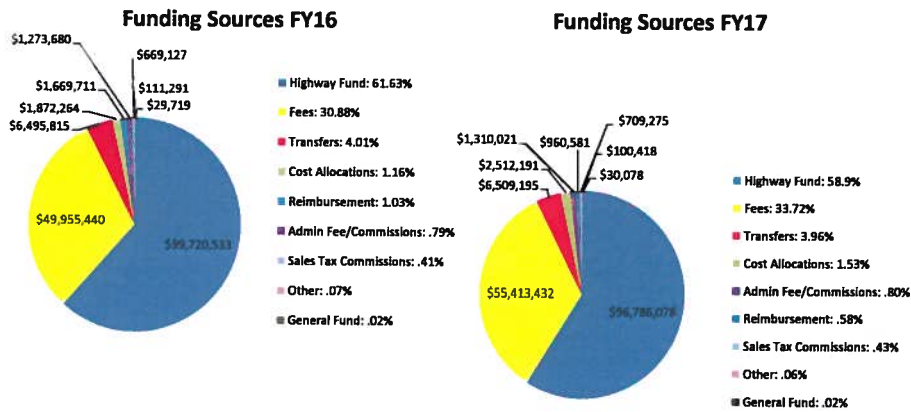


22% Spending Cap

- By statute, DMV can only be appropriated 22% of revenue collected for the Highway Fund
- 2011 Legislative Session – Temporarily redirected Governmental Sales Tax (GST) commissions and penalties to General Fund to assist with General Fund shortfall
 - Increased spending cap to 33% to allow for Highway Fund backfill
- In 2014, revenue streams remained with the DMV and spending cap was 22% - approved for a single year continuation for FY15 with a 32% cap
- 2015 Legislative Session for 2015-2017, Governor Recommends:
 - Redirect GST commissions and penalties from DMV budgets to the General Fund – 31% cap each year.



Funding Sources by Type



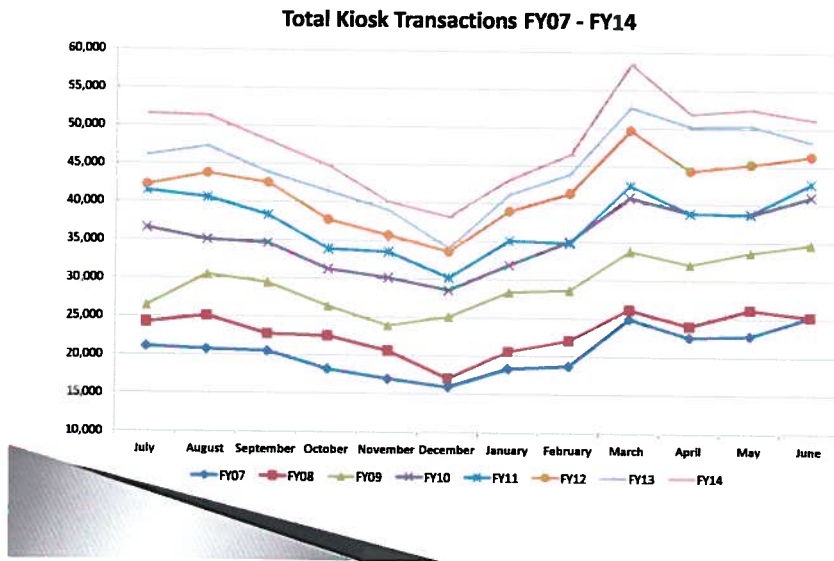
Self-Service Kiosks

45 Kiosks Statewide

- 18 Located in 12 DMV Offices
- 27 Located in Partner Locations (Grocery and Convenience stores, Universities and AAA offices)
- Transaction Types: Vehicle Registration Renewal, Driver's License and Identification Card Renewals and Duplicates, Driver History Records & Nevada LIVE Reinstatements.
- Kiosk Transactions Fee Based as of March 2012
- 577,771 Transactions in FY14 (More Than 3.8 Million Since 2005)
- Challenges with expanding cash accepting Kiosks



Kiosk Transactions – Graph



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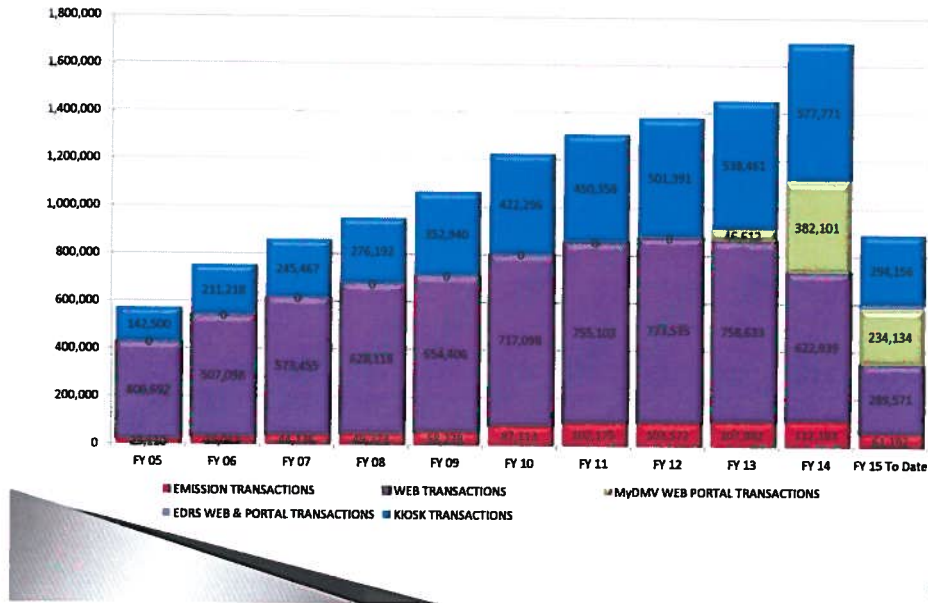
Field Office Performance

- Alternate Services – 1,694,994 in FY14
 - 79.4% of eligible VR renewals were done through alternate services
- 30% of our customers pay with cash
- DLs/IDs surrendered to Nevada in 2014 = 87,840
 - Average of 7,320 per month
 - 3/4 of them to Clark County
- DACs currently active 23,840
- Increase in customer volume CY13-CY14
 - 5 Metro Offices served 235,980 more customers = 13.5% increase
 - 6 Metro Offices served 238,807 more customers = 12.8% increase
- Dash Pass
- 8 year DL
- Real ID
- Medical Marijuana Cards
- Electronic Dealer Report of Sale (EDRS)



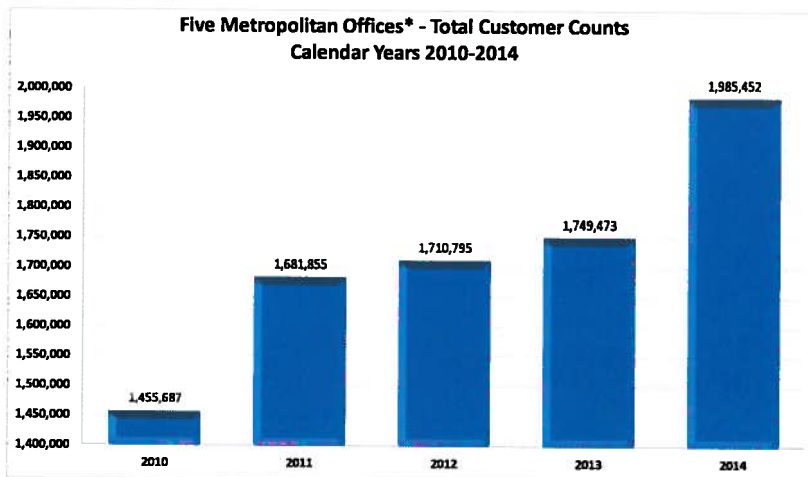
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Alternate Technology FY Comparison



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Customer Count CY Comparison



*The five metro offices include: Decatur, Flamingo, Galletti, Henderson, Sahara

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IT Projects

- **Secure Placards**
 - Began issuing January 12, 2015
 - Web-based and computer generated
 - Verified quickly by law enforcement
- **Electronic Lien and Title (ELT)**
 - AB309 - Passed during 2013 Legislative Session
 - Expedited title processing/shipping
 - Lien Holders can receive titles electronically
- **Commercial Driver's License Information System (CDLIS) and Commercial Learners Permit (CLP) Project**
 - Transmit out-of-state convictions and withdrawals
 - Transfer driver record when CDL holder moves to another state
 - Respond to requests for driver status and history



License Plate Factory

- **2013 Legislative Session – Approved Self-Funding Business Model in Process**
- **Located outside the fence at the NNCC in Carson City**
- **Embossed plate style to meet advanced industry standards for reflectivity and visibility with a traditional look and feel**
- **New capacity to produce over 1,250,000 individual license plates annually**
- **Staffed by inmates who can walk to the factory**



Off-Highway Vehicles

- **OHV Commission is responsible for the program**
- **DMV is responsible for:**
 - The registration and titling of OHV Vehicles
 - The licensing and regulation of OHV dealers
- **75 OHV dealers are licensed**
- **39,323 active OHV registrations**
- **Program estimates were 280,000 OHV registrations**
- **DMV receives 15% and OHV Commission receives 85% of original and renewal registration revenue**
- **BDR submitted for a new funding proposal for 2015 legislation**



Department Budget Bills

- **BDR810A1250 – System Modernization** – Budget request to modernize the Department’s aging technology platform.
- **BDR15A8101161 – Off Highway Vehicle Cleanup** –
 - Establishes an annual plate fee of \$12 for OHV vehicles for long-term or short-term lessor or manufacturer
 - Also establishes \$150,000 reserve with all remaining funding passed on to the OHV Commission
- **BDR810A8101259 – License Plate Factory** – Proposal to remove annual payments for the capital improvement project totaling \$3,824,612 and establish a \$1 million reserve and revert to General Fund in FY15 and Highway Fund in FY16.
- **BDR15A8101247 – 8 Year License Plate Reissue** – Requires a rolling 8 year license plate reissue to preserve reflectivity and readability for public safety.



Major Enhancement Initiatives

B/A 4716 - System Modernization E550

- Improved customer service by modernizing the transaction workflow, provide for delivery of multiple transactions through alternate services (web portal, kiosk, etc.) and by providing an integrated system
- Customer initiation of transactions by entering their own information at home using fillable forms with a printed barcode. The barcode will be scanned to allow the customer's information to be pre-populated and thereby reduce data entry time
- Reduced internal process and system learning curve
- Cross-functional transferable skill sets



Major Enhancement Initiatives

System Modernization Cont.

- Removing risk of manual fund distribution of \$1.2 billion using Microsoft Excel spreadsheets
- Expedited accurate financial reporting with strong fiscal control
- The Technology Transaction Fee funding model will defray the costs of the project and allow us to not only modernize and centralize our systems, but provide funding for maintenance, upgrades and future enhancements.



Major Enhancement Initiatives

B/A 4735 - Field Services, 75 Positions E225

- 68 Technicians and 7 Supervisor Positions
- 100% staffing model necessary to perform at maximum capacity
- Eliminates need for additional offices to meet maximum capacity
- Meet back-office activity timeframes (e.g., document check, title match, process, correspondence, bulk fleet title and registrations, many other services with timeframe)
- Creates a positive impact to wait times
- Improves customer service



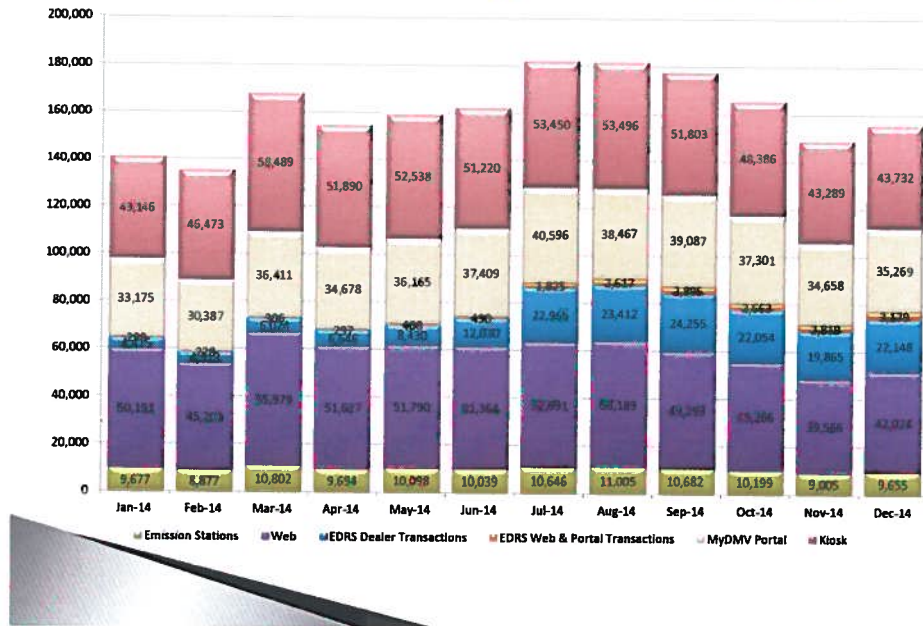
Major Enhancement Initiatives

B/A 4744 – Director’s Office Advertising Campaign E226

- **Public Education**
 - To enhance customer service (e.g., Dash Pass and MyDMV)
 - Encourage eligible customers to use the web and kiosks
 - Ability to communicate with the public about new technology/services available to them
 - Will shift more transactions away from offices, creating a positive impact to wait times
 - Chief driving force behind DMV public relations, marketing and advertising efforts
 - Position the Department to better keep up with growth



Alternate Technology Jan-Dec 2014



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Major Enhancement Initiatives

B/A 4744 – Director’s Office HR Investigation Unit – 3 Positions E250

- Provide an Internal Administrative Investigation Unit
- 1 Administrative Assistant, 2 Compliance Investigators
- Provide consistency and expertise required to conduct thorough fact-finding investigations
- Ensure compliance with state law



Supplementals

- B/A 4741 – Central Services, \$100,000
Contract costs for Print on Demand Decals
- B/A 4744 – Director’s Office, \$36,523
Personnel costs for a position reclassified in March of 2013
- B/A 4745 – Administrative Services, \$238,784
Electronic Payment Merchant Fees and printing of customer service forms



Contact Us

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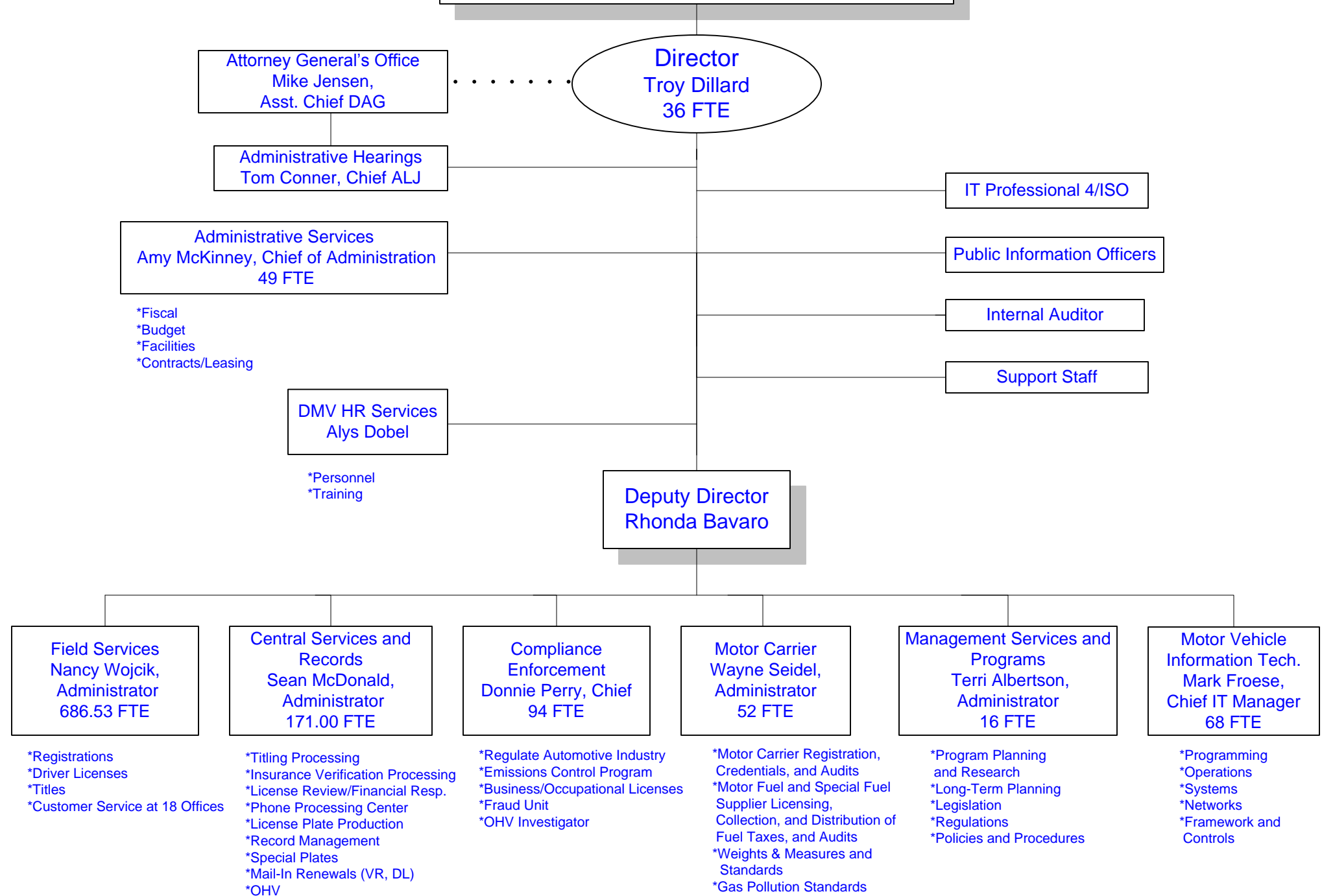
Questions?



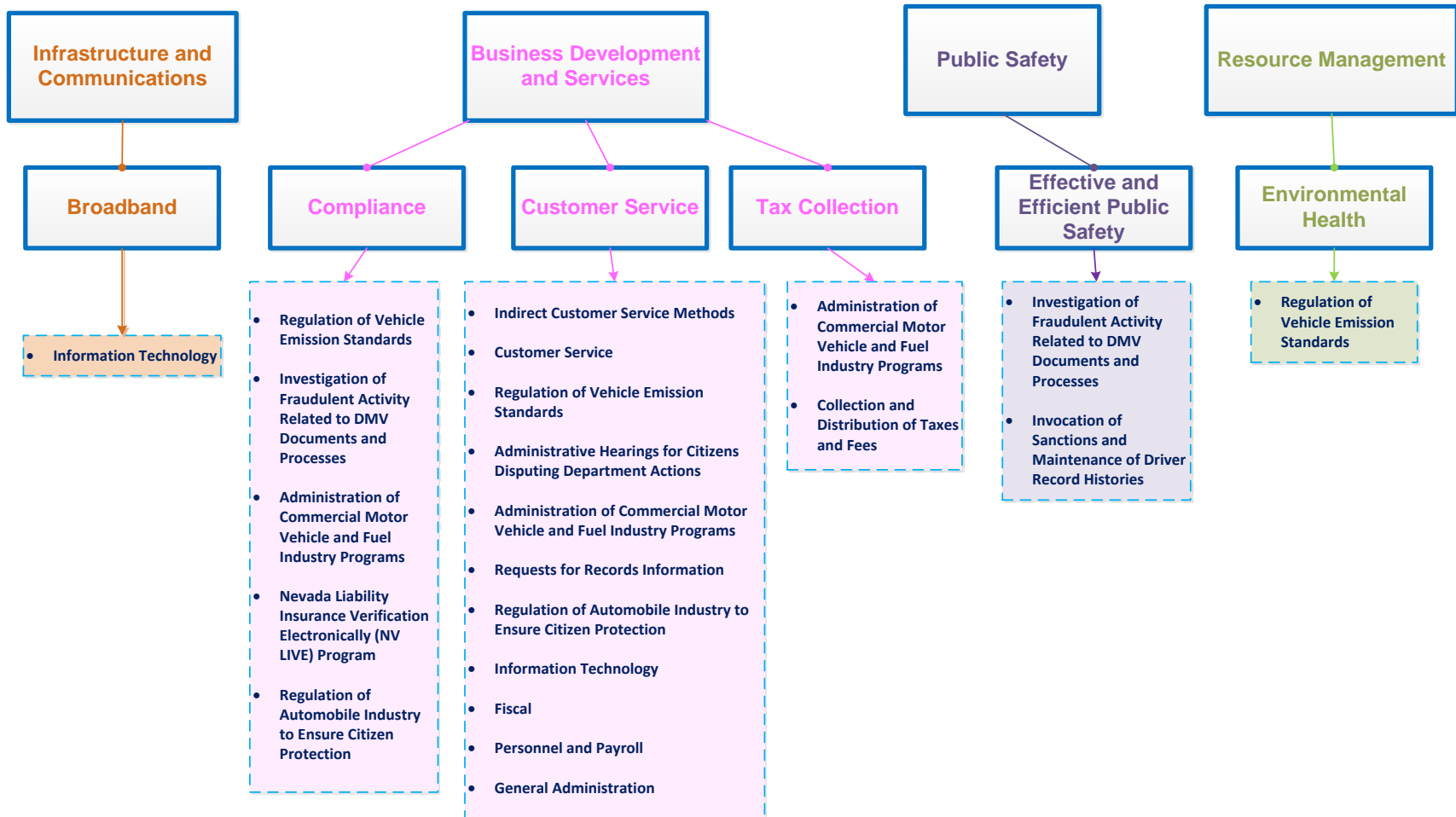
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Department of Motor Vehicles

1172.53 Total FTE
18 Offices Statewide



Nevada Department of Motor Vehicles PPBB



Nevada Department of Motor Vehicles

Budget Request by Activity

Activity	Budget Request by Activity			
	FY16	Percent of Total	FY17	Percent of Total
Customer Service	\$73,748,593	46%	\$77,846,642	48%
Indirect Customer Service Methods	\$11,852,819	7%	\$12,454,968	8%
Information Technology	\$23,983,857	15%	\$21,020,899	13%
Nevada Liability Insurance Verification (NV LIVE) Program	\$9,374,847	6%	\$9,144,226	6%
Regulation of Vehicle Emission Standards	\$9,042,112	6%	\$9,166,882	6%
Requests for Records Information	\$8,017,635	5%	\$8,017,635	5%
Regulation of Automobile Industry to Ensure Citizen Protection	\$4,189,682	3%	\$4,265,303	3%
Administration of Commercial Motor Vehicle and Fuel Industry Programs	\$4,219,411	3%	\$4,367,684	3%
General Administration	\$4,589,538	3%	\$4,412,684	3%
Invocation of Sanctions and Maintenance of Driver Record Histories	\$2,408,735	2%	\$2,454,158	2%
Collection and Distribution of Taxes and Fees	\$1,908,439	1%	\$2,006,264	1%
Personnel and Payroll	\$1,896,728	1%	\$2,020,005	1%
Investigation of Fraudulent Activity Related to DMV Documents and Processes	\$1,480,800	1%	\$1,512,746	1%
Administrative Hearings for Citizens Disputing Department Actions	\$1,231,038	1%	\$1,228,768	1%
Fiscal	\$748,107	0%	\$780,330	0%
Totals:	\$158,692,341	100%	\$160,699,194	100%

Nevada Department of Motor Vehicles Goals

1. Deliver progressive and responsive service to our customers.
2. Provide continuous, innovative and secure technology services to internal and external customers.
3. Provide timely and accurate revenue collections and distributions which fund Nevada's services and infrastructure.
4. Recruit, train and maintain a ready and capable workforce.
5. Regulate businesses, protect the public against fraud and unfair business practices, and ensure compliance with environmental mandates.
6. Provide critical support services for the administration of the Department.

DMV GOALS

2016-2017 Biennium

- 1. Deliver progressive and responsive service to our customers.**
 - a. Increase customer use of alternate technology resources i.e., web-services, kiosk, mobile devices, etc.
 - b. Increase public outreach campaigns to provide alternate methods of waiting for services (DASH PASS).
 - c. Increase the number of new transaction types available via alternate technology resources.
 - d. Provide timely and accurate data entry.
 - e. Monitor and increase customer satisfaction through online survey, responses, complaint resolution statistics and in-office comment cards/letter submissions.

- 2. Provide continuous, innovative and secure technology services to internal and external customers.**
 - a. Modernize the IT infrastructure
 - b. Streamline transactions.
 - c. Identify and correct DMV system security deficiencies and threats.
 - d. Continue to enhance My DMV web portal to allow customers to self-manage their DMV records and accounts online.
 - e. Completion of prioritized IT projects.

- 3. Provide timely and accurate revenue collections and distributions which fund Nevada's services and infrastructure.**
 - a. Ensure proper classification of revenues collected.
 - b. Ensure timely distribution of revenues collected.
 - c. Increase the amount of delinquent revenues collected.
 - d. Ensure compliance with state and federally mandates programs.
 - e. Complete annual audits of high risk fuel suppliers on all accounts with taxable sales within a four year cycle.

- 4. Recruit, train and maintain a ready and capable workforce.**
 - a. Increase the retention of current workforce.
 - b. Reduce the recruitment/training time to produce productive technicians for Field Service Offices.
 - c. Ensure the Department remains current and in compliance with all mandatory training requirements.

5. Regulate businesses, protect the public against fraud and unfair business practices and ensure compliance with environmental mandates.

- a. Audit automotive businesses based on at risk and state and federal mandates.
- b. Prioritize complaints, investigate and provide timely responses.
- c. Enhance business education.
- d. Reduce the instances of fraud.
- e. Monitor the number of violations with sustained outcomes for quality purposes.

6. Provide critical support and services for the administration of the Department.

- a. Improve building security.
- b. Provide timely and accurate distribution of information to the public and employees.
- c. Complete service requests within customer specifications, satisfaction and established timeframes.
- d. Manage and implement departmental projects within the number of estimated hours.
- e. Complete departmental risk assessments and performance audits within statutory timeframes to ensure accuracy and compliance.
- f. Create, produce and distribute Nevada license plates.
- g. Provide timely and accurate budget, purchasing and accounting support.
- h. Ensure hearing decisions are mailed within statutory timeframes.
- i. Ensure program policies and procedures are current.
- j. Ensure regulations are drafted and heard within mandated or required timeframes.

Projected Highway Fund Revenues

The Department's highway fund revenues increased 2.85% from FY13 to FY14 while originally projected flat. Projected revenues for the 2015-2017 biennium show conservative growth at 1.24% in FY16 and 1.26% in FY17. For the upcoming biennium, we have taken a new approach to our projections. Rather than an average overall growth, each revenue stream has been reviewed for historical trends as well as known and anticipated changes. Revenue projections including methodology are attached for your reference.

State of Nevada, Department of Motor Vehicles
Revenue Projections for FY15, FY16, FY17
Taxes and Fees History and Projections (Blue Book) December 2014

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL FY13	FY12 to FY13	ACTUAL FY14	FY13 to FY14	Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
1	REGISTRATION FEES	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	76,954,158	0.82%	79,251,134	2.98%	2.13%	2.59%	80,939,183	82,663,188	84,423,914
2	TITLE FEES	"	13,094,038	5.84%	13,370,496	2.11%	4.42%	5.31%	13,961,472	14,578,569	15,222,942
3	INSPECTION, APPRAISALS	"	104,534	1.36%	109,168	4.43%	1.66%	-0.82%	110,980	112,822	114,695
4	SPECIAL PLATE RENEWALS	"	1,919,689	3.63%	2,032,956	5.90%	5.09%	5.75%	2,136,433	2,245,177	2,359,457
5	PERSONALIZED PLATE ORIGINALS	"	1,151,261	11.18%	1,210,966	5.19%	4.11%	-4.03%	1,260,737	1,312,553	1,366,499
6	PERSONALIZED PLATE RENEWALS	"	3,188,830	2.29%	3,336,037	4.62%	3.94%	4.90%	3,467,477	3,604,096	3,746,097
7	REGISTRATION MISCELLANEOUS	"	3,451,732	5.43%	3,764,803	9.07%	7.08%	6.73%	4,031,351	4,316,771	4,622,398
8	NON-RESIDENT BUSINESS VEHICLE	Annualized projections	0	0.00%	11,115	100.00%		100.00%	23,096	23,396	23,700
9	BAD DEBT REGISTRATION REINSTATEMENT	Annualized projections	0	0.00%	580	100.00%		100.00%	2,409	2,442	2,475
10	TOTAL REGISTRATION		99,864,241	1.82%	103,087,255	3.23%	4.06%		105,933,138	108,859,014	111,882,177
11											
12	OCCUPATIONAL/BUSINESS LICENSING	Difference between FY13 & FY14 overall growth of 1.76% + 1.30%* = 3.06%. Increased each FY by this amount.									
13	BUSINESS LICENSING	"	846,971	1.02%	864,785	2.10%	3.06%	39.49%	891,247	918,519	946,626
14	OCCUPATIONAL LICENSING	"	314,597	20.34%	341,639	8.60%	3.06%	16.13%	352,093	362,867	373,971
15	TOTAL OCCUPATIONAL LICENSING		1,161,568	5.62%	1,206,424	3.86%	3.06%	27.81%	1,243,340	1,281,386	1,320,597
16											

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17	DRIVERS LICENSE										
18	DRIVERS LICENSE - ORIGINAL	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	2,289,935	11.04%	2,927,390	27.84%	1.30%	3,320,707	3,320,707	3,363,876	3,407,606
19	DRIVERS LICENSE - RENEWALS	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	6,438,722	-4.37%	8,377,505	30.11%	1.30%	9,286,544	9,286,544	9,407,269	9,529,563
20	DRIVER PERMIT	Difference between 69.85% and 27.86% = 41.99% for FY15. 1.30%* FY16 & FY17	1,018,884	-2.19%	1,302,754	27.86%	41.99%	69.85%	1,849,780	1,873,827	1,898,187
21	DRIVER LICENSE EXAMINATIONS	Increased each FY by 1.30%*	3,432,828	2.66%	3,362,952	-2.04%	1.30%	-3.99%	3,406,670	3,450,957	3,495,819
22	COMMERCIAL DRIVER LICENSE ORIGINAL	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	191,804	6.35%	200,801	4.69%	1.30%	227,020	227,020	229,971	232,961
23	COMMERCIAL DRIVER LICENSE RENEWAL	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	595,251	-19.84%	603,165	1.33%	1.30%	694,030	694,030	703,052	712,192
24	COMMERCIAL DRIVER PERMITS	Difference between 44.46% and 8.62% = 35.84% for FY15. 1.30%* FY16 & FY17	231,386	-2.16%	251,329	8.62%	35.84%	44.46%	341,405	345,843	350,339
25	COMMERCIAL DRIVER LICENSE EXAMINATIONS	Increased each FY by 1.30%*	22,531	10.55%	23,227	3.09%	1.30%	5.38%	23,529	23,835	24,145
26	IDENTIFICATION CARDS ORIGINALS	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	579,949	8.71%	751,325	29.55%	1.30%	844,357	844,357	855,334	866,453
27	IDENTIFICATION CARDS RENEWALS	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	335,595	-5.64%	388,124	15.65%	1.30%	420,178	420,178	425,640	431,173
28	DRIVER LICENSE MISCELLANEOUS	FY15: Jan. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	132,146	-1.35%	156,764	18.63%	1.30%	140,526	140,526	142,353	144,204
29	DRIVER PENALTIES & REINSTATEMENTS	Avg of -5.87%, -8.85%, -6.24% = -6.99% Reduced each FY by this %	3,323,569	-5.87%	3,029,322	-8.85%	-6.99%	-6.24%	2,817,572	2,620,624	2,437,442
30	COMMERCIAL DRIVER PENALTIES & REINSTATEMENTS	FY15: May. 1, 2014 - Nov. 15, 2014, annualized. 1.30%* FY16 & FY17	103,314	3.85%	327,010	216.52%	1.30%	372,159	372,159	376,997	381,898
31	DL and CDL Totals				21,701,668				23,744,477	23,819,578	23,911,982

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL		ACTUAL		Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
			FY13	FY12 to FY13	FY14	FY13 to FY14					
32	DAC ORIGINALS	FY15 YTD (through 11/15/14) Annualized. 1.30%* FY16 & FY17	0	0.00%	232,132	100.00%	1.30%	82,391.00	219,709	222,565	225,458
33	DAC RENEWALS	Renewals = 80% of FY14 Originals. FY16 & FY17 includes 80% of Originals from the previous year.	0	0.00%	2,455	100.00%			185,706	175,767	178,052
34	DAC PERMITS	FY15 YTD (through 11/15/14) Annualized. 1.30%* FY16 & FY17	0	0.00%	126,438	100.00%	1.30%	45,020.00	120,053	121,614	123,195
35	DAC EXAMINATIONS	FY15 YTD (through 11/15/14) Annualized. 1.30%* FY16 & FY17	0	0.00%	984,218	100.00%	1.30%	313,181.00	835,149	846,006	857,004
36	DAC MISCELLANEOUS	FY15 YTD (through 11/15/14) Annualized. 1.30%* FY16 & FY17	0	0.00%	1,099	100.00%	1.30%	470.00	1,253	1,269	1,285
37	DAC PENALTIES & REINSTATEMENTS	FY15 YTD (through 11/15/14) Annualized. 1.30%* FY16 & FY17	0	0.00%	84,000	100.00%	1.30%	32,335.00	86,227	87,348	88,484
38	DAC Totals				1,430,342				1,448,097	1,454,569	1,473,478
39	<u>TOTAL DRIVER LICENSE</u>		18,695,914	-1.67%	23,132,010	23.73%			25,192,574	25,274,147	25,385,460

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL		ACTUAL		Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
			FY13	FY12 to FY13	FY14	FY13 to FY14					
40											
41	MOTOR CARRIER										
42	* SPECIAL FUEL	Flat	79,164,084	-0.04%	79,094,281	-0.09%		0.36%	79,094,281	79,094,281	79,094,281
43	* MOTOR FUELS GASOLINE TAX ¹	Avg .26%, 1.15%, .95% = .79%. Increased each FY by this amount.	185,650,748	0.26%	187,784,586	1.15%	0.79%	0.95%	189,268,084	190,763,302	192,270,332
44	MOTOR CARRIER REGISTRATION FEES	3%	27,556,837	-1.01%	29,831,766	8.26%	3.00%	15.99%	30,726,719	31,648,521	32,597,977
45	MOTOR CARRIER TITLE FEES	Flat	57,915	2.40%	56,990	-1.60%		-3.06%	56,990	56,990	56,990
46	INSPECTION FEES	Flat	1,714	9.87%	1,475	-13.94%		78.36%	1,475	1,475	1,475
47	TEMPORARY PERMITS	Flat	1,869,992	-9.43%	1,895,857	1.38%		13.35%	1,895,857	1,895,857	1,895,857
48	OVERWEIGHT & LENGTH PERMITS	Flat	5,591,685	-2.87%	5,752,171	2.87%		0.21%	5,752,171	5,752,171	5,752,171
49	MOTOR CARRIER PENALTIES & INTEREST	Flat	1,639,297	-41.74%	1,481,321	-9.64%		-21.01%	1,481,321	1,481,321	1,481,321
50	FARM EQUIPMENT/PLATE DECAL	Flat	0	0.00%	0	0.00%		0.00%	0	0	0
51	MOTOR CARRIER MISCELLANEOUS	Flat	11,223	-6.16%	11,407	1.64%		83.79%	11,407	11,407	11,407
52	TOTAL MOTOR CARRIER		301,543,495	-0.45%	305,909,854	1.45%			308,288,305	310,705,325	313,161,811
53											
54	OTHER HIGHWAY FUND										
55	ADMINISTRATIVE SERVICES - Bad Debt	Flat	250,262	-25.09%	170,623	-31.82%		-20.10%	170,623	170,623	170,623
56	Administrative Fines	Increased each FY by 1.30%*	34,850	-27.97%	52,626	51.01%	1.30%	10.58%	53,310	54,003	54,705
57	TOTAL OTHER HIGHWAY FUND		285,112	-25.46%	223,249	-21.70%		-12.97%	223,933	224,626	225,328
58											
59	TOTAL HIGHWAY FUND REVENUE		421,550,330	0.01%	433,558,792	2.85%	1.70%		440,881,290	446,344,498	451,975,373
60								1.69%	1.24%	1.26%	

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL FY13	FY12 to FY13	ACTUAL FY14	FY13 to FY14	Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
61	TAXES										
62	BASIC GOV. SERVICES TAX - REGISTRATION	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	207,806,047	2.43%	223,262,166	7.44%	5.92%	7.89%	236,479,286	250,478,860	265,307,209
63	*BASIC GOV. SERVICES TAX - MOTOR CARRIER	3%	11,337,347	-3.70%	13,300,205	17.31%	3.00%	32.84%	13,699,211	14,110,187	14,533,493
64	NET BASIC GOV SERVICES TAX		219,143,394	2.09%	236,562,371	7.95%	2.49%		250,178,497	264,589,047	279,840,702
65											
66	SUPPLEMENTAL GST - REGISTRATION	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	47,087,775	2.45%	49,839,179	5.84%	5.02%	6.77%	52,341,106	54,968,630	57,728,055
67	SUPPLEMENTAL GST - MOTOR CARRIER	3%	540,452	-3.05%	558,492	3.34%	3.00%	24.35%	575,247	592,504	610,279
68	NET SUPPLEMENTAL GOV. SERVICES TAX		47,628,227	2.38%	50,397,671	5.81%	2.19%		52,916,353	55,561,134	58,338,334
69											
70	NET FULL SALES TAX	Applied State of Nevada Economist's Sales Tax Projection %: FY15 5.47%, FY16 5.40%, FY17 6.0%	27,658,814	9.24%	29,492,869	6.63%		13.10%	31,106,129	32,785,860	34,753,012
71											
72	NET OCCASIONAL SALES TAX	Zero. OST collected on old Bad Debts only.	2,000	70.07%	1,414	-29.30%	0.00%	33.75%	0	0	0
73											
74	MOTOR CARRIER PROGRAM										
75	* MOTOR FUELS - JET	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	15,377,667	33.69%	14,192,374	-7.71%	14.02%	16.09%	16,182,145	18,450,882	21,037,696
76	* MOTOR FUELS - AVIATION C.A.P.	Flat	34,050	-7.22%	31,826	-6.53%		-0.03%	31,826	31,826	31,826
77	* MOTOR FUELS - AVIATION OPTION	Flat	20,426	-3.99%	16,956	-16.99%		11.91%	16,956	16,956	16,956
78	* MOTOR FUELS - COUNTY	MCD Projections	191,216,922	4.44%	216,297,976	13.12%		33.59%	231,200,907	247,130,649	264,157,951
79	TOTAL MOTOR CARRIER PROGRAM		206,649,066	6.17%	230,539,132	11.56%	4.46%		247,431,834	265,630,313	285,244,429

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL FY13	FY12 to FY13	ACTUAL FY14	FY13 to FY14	Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
80											
81	EMISSION CONTROL ACCOUNT										
82	STATION LICENSING	Increased each FY by 1.30%*	12,075	5.46%	12,266	1.58%	1.30%	-1.17%	12,425	12,587	12,751
83	STATION SIGNS	"	-	-100.00%	0	0.00%	1.30%	0.00%	0	0	0
84	INSPECTOR FEES	"	29,941	4.57%	30,119	0.59%	1.30%	-3.12%	30,511	30,908	31,310
85	DIESEL EMISSIONS CERTIFICATES	"	212,782	-0.48%	221,721	4.20%	1.30%	2.80%	224,603	227,523	230,481
86	GASOLINE EMISSION CERTIFICATES	"	8,952,570	0.87%	9,081,299	1.44%	1.30%	3.19%	9,199,356	9,318,948	9,440,094
87	EMISSION ADMINISTRATIVE FEES	FY15 YTD (through 11/15/14) Annualized. 1.30%* FY16 & FY17	28,869	51.40%	40,019	38.62%	1.30%	29,150.00	77,733	78,744	79,768
88	TOTAL EMISSION CONTROL		9,236,237	0.96%	9,385,424	1.62%	1.30%		9,544,628	9,668,710	9,794,404
89											
90	LICENSE PLATE FACTORY										
91	SUB/DUPLICATE PLATE FEE	Flat	144,100	0.00%	152,874	6.09%		-10.99%	152,874	152,874	152,874
92	LICENSE PLATE FEE	CSD Projections	0	0.00%	1,971,592			269.28%	2,710,747	3,438,156	3,715,042
93	SCRAP METALS	Flat	66,221	6.20%	68,867	4.00%		-35.19%	68,867	68,867	68,867
94	TOTAL NET LICENSE PLATE FACTORY		210,321	100.00%	2,193,333	942.85%			2,932,488	3,659,897	3,936,783
95											
96	OFF HIGHWAY VEHICLES										
97	OFF HIGHWAY VEHICLE FEES	Projections from CSD	420,798	100.00%	405,233	-3.70%		6.40%	278,288	284,032	288,053
98	OHV COMMISSION FEES	Projections from CSD	44,296	100.00%	665,389	1402.14%		-6.68%	714,275	746,824	769,608
99	TOTAL NET OFF HIGHWAY VEHICLES		465,094	100.00%	1,070,622	130.19%		-2.16%	992,563	1,030,856	1,057,661
100											

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL		ACTUAL		Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
			FY13	FY12 to FY13	FY14	FY13 to FY14					
101	OTHER MOTOR VEHICLE FUND										
102	STATE GENERAL FUND ALLOCATION	Avg 1.95% & 2.39%= .22% Increase	63,503,131	1.84%	62,267,317	-1.95%	0.22%	0.39%	62,404,305	62,541,594	62,679,186
103	REGISTRATION SALES TAX COMMISSIONS	Applied State of Nevada Economist's Sales Tax Projection %: FY15 5.47%, FY16 5.40%, FY17 6.0%	564,506	9.24%	601,920	6.63%		13.10%	634,845	669,127	709,275
104	REGISTRATION GOVERNMENTAL SERVICES TAX (DMV Commission)	6% of BGST & SGST Less the Assessor Commission	20,029,002	2.28%	21,111,164	5.40%		6.34%	20,780,161	21,782,896	22,843,234
105	MOTOR CARRIER GOVERNMENTAL SERVICES TAX (DMV Commission)	6% of BGST & SGST	905,305	-1.14%	1,030,247	13.80%		27.05%	1,006,238	1,032,261	1,059,056
106	GAS TAX OPTION ADMIN "A" FEE COMMISSION	MCD Projections	465,439	0.58%	472,751	1.57%		0.96%	472,751	362,552	368,880
107	GAS TAX OPTION ADMIN "B" FEE COMMISSION	MCD Projections	138,854	1.19%	137,330	-1.10%		2.59%	137,330	134,094	136,435
108	GAS TAX OPTION ADMIN "C"/CPI-FEE COMMISSION	MCD Projections	43,342	-0.96%	43,241	-0.23%		-0.82%	43,573	43,907	44,244
109	GAS TAX OPTION ADMIN "C"/PPI-FEE COMMISSION	MCD Projections	214,862	38.04%	282,919	31.67%		24.03%	296,974	309,034	320,867
110	GAS TAX OPTION ADMIN "D" COMMISSION	MCD Projections	6,774	0.00%	6,733	-0.61%		0.00%	6,784	6,836	6,889
111	GAS TAX OPTION ADMIN "F" PPI-MF-FEE	MCD Projections	-	0.00%	119,599	100.00%		133.81%	251,081	261,277	271,282
112	GAS TAX OPTION ADMIN "E" COMMISSION	MCD Projections	64,227	33.60%	107,690	67.67%		100.00%	137,716	143,266	148,710
113	SUPPLIER AUDIT REIMBURSEMENT	Flat	39,583	20.44%	33,917	-14.31%		51.13%	33,917	33,917	33,917

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL		ACTUAL		Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
			FY13	FY12 to FY13	FY14	FY13 to FY14					
114	NV LIVE REINSTATEMENT FEES	FY15 Decrease by 9.85%. FY16 decrease by 4.92%, FY17 decrease by 2.46%	13,078,135	6.52%	10,937,279	-16.37%	-9.85%	-0.21%	9,859,957	9,374,847	9,144,226
115	DRIVER LICENSE DIGITIZED PHOTO FEES	Projections	2,844,133	0.41%	3,160,260	11.12%		10.20%	3,571,670	3,782,017	3,978,108
116	DONATIONS TO THE HOMELESS FUND	Zero	50	100.00%	-	-100.00%	0.00%	0.00%	0	0	0
117	FINGERPRINT FEES	Same as OBL: Difference between FY13 & FY14 overall growth of 1.76% + 1.30%* = 3.06%. Increased each FY by this amount.	98,098	-8.47%	102,546	4.53%	3.06%	11.70%	105,684	108,918	112,251
118	FINGERPRINT FEES - PERSONNEL	Budget Projections	5,634	-14.35%	6,902	22.51%	1.30%	-5.05%	6,992	7,543	7,635
119	SALVAGE TITLE FEES	Increased each FY by 1.30%*	241,718	4.75%	257,126	6.37%	1.30%	-0.30%	260,469	263,855	267,285
120	COUNTY ASSESSOR FEES	Average of growth/decrease FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	65,078	-1.83%	64,638	-0.68%	0.46%	3.89%	64,935	65,234	65,534
121	MOTOR VEHICLE RECORDS SECTION	Flat	8,005,919	-0.98%	8,017,635	0.15%		6.66%	8,017,635	8,017,635	8,017,635
122	MOTOR VEHICLE RECORDS SECTION - DP	Flat	699,666	25.15%	657,192	-6.07%		-25.44%	657,192	657,192	657,192
123	KIOSK FEES	Projections from DO MA III	1,486,555	177.52%	1,601,782	7.75%		7.72%	1,728,840	1,849,859	1,979,493
124	MOTORCYCLE SAFETY FEES	Increased each FY by 1.30%*	420,551	2.23%	430,975	2.48%	1.30%	1.55%	436,578	442,254	448,003
125	PRISON INDUSTRY FEE	CSD Projections - Flat	524,846	5.87%	525,565	0.14%		-3.33%	532,398	539,319	546,330
126	LAKE TAHOE PLATE FUND	Flat	370,041	-0.02%	376,310	1.69%		0.81%	376,310	376,310	376,310
127	UNLV PLATE FUND	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	106,053	14.05%	117,353	10.66%	11.12%	8.65%	130,403	144,904	161,017
128	UNR PLATE FUND	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	178,519	7.82%	187,551	5.06%	5.71%	4.25%	198,260	209,581	221,548
129	VETERAN PLATE FUND	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	564,206	9.60%	625,068	10.79%	10.08%	9.84%	688,075	757,433	833,782
130	VETERANS HOME DONATIONS	Zero	87	-89.33%	0	-100.00%		0.00%	0	0	0
131	HIGHWAY AND SAFETY FUND - DOT	Avg of 3 year. Decrease applied to each FY	247,991	-2.25%	205,111	-17.29%	-6.15%	-43.28%	192,497	180,658	169,548
132	VICTIM'S COMPENSATION FEES	Avg of 3 year. Decrease applied to each FY	260,408	-8.71%	257,560	-1.09%	-2.95%	-6.01%	249,962	242,588	235,432
133	MISSING/EXPLOITED CHILDREN PLATE FUND	Average of decrease FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	41,456	-3.21%	40,084	-3.31%	-3.73%	-4.68%	38,589	37,150	35,764

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL		ACTUAL		Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
			FY13	FY12 to FY13	FY14	FY13 to FY14					
134	GOVERNMENTAL SERVICES TAX PENALTIES	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	4,192,763	0.32%	4,668,429	11.34%	7.58%	11.09%	5,022,296	5,402,986	5,812,532
135	SPECIAL PLATE FEES	CSD Projections - FY15 4.09%, 1.30%* FY16 & FY17	1,833,612	17.13%	2,112,761	15.22%	1.30%	4.09%	2,199,173	2,227,762	2,256,723
136	ASSESSOR GOVERNMENTAL SERVICES TAX COMM	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	147,061	-3.08%	149,792	1.86%	1.95%	7.06%	152,713	155,691	158,727
137	DRS PLACARDS	Projections from MSP	30,195	10.20%	33,418	10.67%		8.53%	582,925	634,200	685,475
138	EXPEDITED TITLES	Annualized based on July - Nov 15, 2014. Flat for FY16 & 17.	0	0.00%	19,260	100.00%		119,100	317,600	317,600	317,600
139	REPORT OF SALES	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	4,457,690	6.33%	4,560,934	2.32%	4.83%	5.85%	4,781,227	5,012,160	5,254,247
140	CHILDREN IN THE ARTS PLATE FUND	Flat	56,534	-1.72%	55,132	-2.48%		-1.31%	55,132	55,132	55,132
141	LV VALLEY WATER DISTRICT PLATE FUND	Discontinued. 5% decrease per FY from FY14.	21,866	6.12%	20,199	-7.62%	-5.00%	-9.94%	19,189	18,230	17,319
142	AGRICULTURE/FFA PLATE FUND	Flat	31,532	4.77%	32,931	4.44%		2.21%	32,931	32,931	32,931
143	PROFESSIONAL FIRE FIGHTER PLATE FUND	Flat	60,708	0.58%	59,490	-2.01%		3.59%	59,490	59,490	59,490
144	ANATOMICAL GIFT DONATION	Flat	62,700	-19.18%	66,784	6.51%		-7.32%	66,784	66,784	66,784
145	ANIMAL APPRECIATION PLATE FUND	Flat	50,312	-0.74%	54,078	7.49%		-0.46%	54,078	54,078	54,078
146	RODEO PLATE FUND	Flat	139,799	-1.56%	139,749	-0.04%		-2.83%	139,749	139,749	139,749
147	LV COMMEMORATIVE PLATE FUND	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	1,805,994	3.57%	1,879,131	4.05%	3.56%	3.07%	1,946,028	2,015,307	2,087,052
148	VOLUNTEER FIRE FIGHTER PLATE FUND	Flat	12,431	5.92%	12,974	4.37%		-1.44%	12,974	12,974	12,974
149	MOTOR CARRIER CLEAN UP FEES	Flat	12,749,289	0.24%	12,905,650	1.23%		0.47%	12,905,650	12,905,650	12,905,650
150	IFTA DECAL FEE	Flat	-	0.00%	38,910	100.00%			38,910	38,910	38,910
151	PETROLEUM PRODUCTION INSPECTIONS	Flat	658,384	-1.83%	673,254	2.26%		-1.11%	673,254	673,254	673,254
152	MARINA DEVELOPMENT GAS TAX	Flat	1,329,354	-4.64%	1,320,273	-0.68%		-7.86%	1,320,273	1,320,273	1,320,273
153	DEPARTMENT OF WILDLIFE	Flat	1,329,354	-4.64%	1,320,273	-0.68%		-7.86%	1,320,273	1,320,273	1,320,273

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			FY13	FY12 to FY13	FY14	FY13 to FY14					
154	MOUNT CHARLESTON PLATE FUND	Flat	58,521	0.70%	58,619	0.17%		-0.78%	58,619	58,619	58,619
155	UNITED WE STAND PLATE FUND	Flat	364,781	-1.18%	363,881	-0.25%		-1.98%	363,881	363,881	363,881
156	LAS VEGAS FEDERAL LANDS PLATE FUND	Discontinued. 5% decrease per FY from FY14.	9,757	2.21%	9,511	-2.52%	-5.00%	-15.04%	9,035	8,583	8,154
157	PYRAMID LAKE PLATE FUND	Flat	64,062	-3.69%	61,055	-4.69%		-4.02%	61,055	61,055	61,055
158	VIRGINIA & TRUCKEE RAILROAD PLATE FUND	Flat	28,415	-2.84%	26,981	-5.05%		-3.79%	26,981	26,981	26,981
159	ORGAN DONATION PLATE FUND	Flat	23,283	4.27%	22,751	-2.28%		-3.01%	22,751	22,751	22,751
160	DUCKS UNLIMITED PLATE FUND	Discontinued. 5% decrease per FY from FY14.	5,397	-10.35%	4,647	-13.90%	-5.00%	-2.20%	4,415	4,194	3,984
161	NATURALIZED CITIZEN PLATE FUND	Flat	60,382	-3.62%	58,641	-2.88%		2.49%	58,641	58,641	58,641
162	RENO AIR RACES PLATE FUND	Flat	35,845	2.70%	34,616	-3.43%		-2.27%	34,616	34,616	34,616
163	NV WILDLIFE RECORD BOOK PLATE FUND	Flat	83,877	-2.03%	82,266	-1.92%		0.23%	82,266	82,266	82,266
164	HOT AUGUST NIGHTS PLATE FUND	Flat	35,492	-7.56%	34,923	-1.60%		-3.86%	34,923	34,923	34,923
165	NV LIBRARY ASSOCIATION PLATE FUND	Discontinued. 5% decrease per FY from FY14.	5,249	-11.96%	4,604	-12.29%	-5.00%	-7.91%	4,374	4,155	3,947
166	PARKING VIOLATIONS	Decrease by -25.63% (difference between FY13 & FY14) each FY	81,924	-32.00%	76,703	-6.37%	-25.63%	39.86%	57,044	42,424	31,551
167	HOOVER DAM PLATE FUND	Flat	40,579	-1.62%	41,825	3.07%		0.68%	41,825	41,825	41,825
168	AVIATION PLATE FUND	Discontinued. 5% decrease per FY from FY14.	6,785	-9.47%	6,054	-10.77%	-5.00%	-14.08%	5,751	5,463	5,190
169	TOURISM GRANT PROGRAM PLATE FUND	Discontinued. 5% decrease per FY from FY14.	6,175	-14.87%	5,480	-11.26%	-5.00%	-13.72%	5,206	4,946	4,699
170	NEVADA TEST SITE PLATE FUND	Flat	22,817	5.23%	23,817	4.38%		-2.42%	23,817	23,817	23,817
171	HORSE POWER PLATE FUND	Flat	115,067	5.99%	125,208	8.81%		5.47%	125,208	125,208	125,208
172	NV CARPENTERS PLATE FUND	Discontinued. 5% decrease per FY from FY14.	2,110	-20.88%	1,920	-9.00%	-5.00%	-20.94%	1,824	1,733	1,646
173	RED ROCK CANYON PLATE FUND	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	45,179	10.69%	47,525	5.19%	11.16%	17.59%	52,829	58,725	65,279
174	SEARCH AND RESCUE PLATE FUND	Discontinued. 5% decrease per FY from FY14.	3,162	-13.77%	2,972	-6.01%	-5.00%	-14.47%	2,823	2,682	2,548

Line #	REGISTRATION PROGRAM	FY15 - FY17 Growth Factor Explanation	ACTUAL		ACTUAL		Growth Factor	% of Change YTD FY14-FY15 as of 11-15-14 or Actuals YTD	FY15	FY16 (Based on Growth Factor)	FY17 (Based on Growth Factor)
			FY13	FY12 to FY13	FY14	FY13 to FY14					
175	SUPPORT HEALTHCARE PLATE FUND	Discontinued. 5% decrease per FY from FY14.	20,056	152.50%	12,969	-35.34%	-5.00%	-8.08%	12,321	11,705	11,120
176	CONSERVE WILDLIFE PLATE FUND	Average of growth FY13, FY14 FY15 YTD (thru 11/15/14) increase each FY by this %.	53,580	88.65%	70,787	32.11%	47.15%	20.70%	104,163	153,276	225,546
177	MARCH OF DMES PLATE FUND	Flat	575	100.00%	3,413	493.57%		0.00%	3,413	3,413	3,413
178	AIRFORCE THUNDERBIRDS PLATE FUND	Flat	0	0.00%	8,320	100.00%		0.00%	8,320	8,320	8,320
179	TEAMSTERS LOCAL 631 PLATE FUND	Flat	1,645	100.00%	4,104	149.48%		0.00%	4,104	4,104	4,104
180	DUPLICATE REG AND SUB DECAL FEES	Flat	416,153	100.00%	430,762	3.51%		-0.01%	430,762	430,762	430,762
181	SESQUICENTENNIAL PLATE FUND	Annualized FY15 YTD (through 11-15-14). Flat 16 and 17.	0	0.00%	233,967	100.00%		129,371	344,989	344,989	344,989
182	BREAST CANCER AWARENESS PLATE FUND	Flat	0	0.00%	36,196	100.00%		102.78%	36,196	36,196	36,196
183	AVIATION PLATE FUND	Flat	0	0.00%	2,765	100.00%		78.78%	2,765	2,765	2,765
184	TOTAL OTHER MOTOR VEHICLE FUND REVENUE		145,774,615	3.19%	145,806,469	0.02%			147,047,687	148,904,510	151,277,037
185											
186	TOTAL NET REVENUE		\$ 1,078,318,098	2.40%	\$ 1,139,008,097	5.63%	0.61%		\$ 1,183,031,469	\$ 1,228,174,825	\$ 1,276,217,735
	Projected Total Growth Percentage								3.87%	3.82%	3.91%

*Demographer's Growth Rate for FY15, FY16, FY17 is 1.30%
¹Actual FY13 Special Fuel Revenue was \$79,164,084 rather than the previously reported \$80,913,071.

Supplemental Appropriations for FY16/17

The Department has requested three (3) supplemental appropriations as follows:

B/A 4741 – Central Services

This supplemental requests \$100,000 in highway fund appropriation to cover costs in FY15 associated to a contract with ITI for print on demand. Print on demand was implemented in September of 2013 and allows the Department to print decals when they are issued rather than having preprinted decals in stock. The implementation of this program improved decal security and reduced waste of preprinted decals that were never issued. Vacancy savings have been taken into account in order to minimize this supplemental appropriation. A work program will be submitted later in the fiscal year to transfer available vacancy savings.

B/A 4744 – Director's Office

This supplemental requests \$36,523 in highway fund appropriation to cover personnel costs for the remainder of FY15. PCN 0022 was not budgeted correctly for the current biennium. This position was reclassified from an Auditor II to an ITP 4 in March of 2013. The Legislatively Approved budget funded the position at a 34-1 because the position was vacant when payroll was updated during the Governor's Recommended phase. The approved NPD-19 established this position at a pay grade 41 and the position was subsequently filled at a 41-10. The total anticipated shortfall is \$99,087. The Department will submit work programs to transfer vacancy savings of \$31,219 from another budget account within the Department and will request salary adjustment funding in the amount of \$31,345 to minimize the shortfall.

B/A 4745 – Administrative Services

This supplemental requests \$238,784 in highway fund appropriation to cover an unanticipated increase in electronic payment merchant fees and printing costs. Administrative Services pays all fees associated to the acceptance of electronic payments including credit cards, debit cards, ACH/EFT, and e-checks for the Department. We are currently anticipating an 11% increase in these costs for FY15. This account also pays all costs for the printing of forms utilized by the Department for customer service. We are experiencing an increase in the cost per form as well as an increase in the volume of titles required to meet demand.

The 32% cap calculation for FY15 is attached. It has been updated to include revenue projections as of 11/15/15 and the above outlined supplemental appropriations.

22% Spending Cap and Redirection of Government Services Tax Commissions and Penalties

By statute, the Department of Motor Vehicles can only be appropriated 22% of the revenue it collects and distributes to the Highway Fund for department operations. During the 2011 Legislative Session, DMV budgets were approved with a provision to temporarily redirect Governmental Services Tax (GST) commissions and penalties from the department's budgets to the General Fund for the 2011 – 2013 biennium. In turn, an increase of the department's 22% Highway Fund spending cap to 33% was required. This created a funding solution to assist the State General Fund.

During the 2013 Legislative Session, DMV budgets were approved with a single year continuation of this funding method for FY15 with a respective 32% cap for the department in that year. In FY14, these revenue streams remained within the department's budgets and the spending cap was 22%. The final cap calculation at FY14 year-end following reversions was 14.73%.

The Governor's Recommended budget for the 2015 – 2017 biennium includes a provision to redirect GST commissions and penalties from the department's budgets to the General Fund with a 31% cap for each year of the upcoming biennium. The Department's budget requests for FY16 and FY17 are approximately 63% and 60% Highway Funded. Remaining funding is derived from fees collected and retained by the department as well as transfers and cost allocations.

These funding changes are represented in B/A 4717 – Motor Carrier Decision Unit E226 and 4735 – Field Services Decision Unit E230.

Within our budgets are the following items that impact funding and/or the department's 22% spending cap:

- License Plate Factory
 - B/A 4712 - During the 2013 Legislative Session, B/A 4712 – License Plate Factory was established. This account self-funds the manufacturing of license plates with all remaining funding at year end balancing forward to the next fiscal year. We are proposing to change the License Plate Factory to a reverting account (BDR15A8101259) and eliminate the equal yearly payments for the payback of the CIP costs for the construction of the new License Plate Factory as the Highway Fund will be receiving additional reversions each year upon approval. Additionally, this BDR requests to establish a \$1 million reserve.
 - B/A 4712 – The department has submitted BDR15A8101247 which requests an eight year rolling reissuance of license plates to preserve reflectivity and readability. If approved in conjunction with the BDR that changes this account to a reverting account, we anticipate a positive impact to the funding available for reversion to the Highway Fund at each fiscal year end.

- System Modernization
 - B/A 4716 – System Modernization corresponds to BDR15A8101250. This BDR establishes a \$1 technology fee for transactions to assist in funding the project as well as a request to exempt the Highway Funds appropriated from the 22% cap.
- Off-Highway Vehicle (OHV) Program
 - B/A 4741 – Central Services performs the duties required for the OHV program. Currently, monies collected are split between the OHV Commission and DMV with an 85/15% split. The 15% is utilized by the department to pay costs associated with administering this program. BDR15A8101161 requests to establish a \$150,000 reserve with all remaining funding at year end going to the Commission. In addition, this BDR establishes an annual dealer plate fee of \$12.

Department of Motor Vehicles
31% Cap Calculations
G01 as of 12/30/14 and Blue Book as of 11/20/14
12/30/2014

	Leg. Approved FY16	Leg. Approved FY17
Projected Highway Fund Revenues	\$ 255,581,196	\$ 259,705,041
Record Search Reversion	\$ 500,000	\$ 500,000
Insurance Reversion	\$ 7,184,847	\$ 6,936,256
Special Plates Reversion	\$ 1,681,838	\$ 1,082,138
Total Highway Fund Proceeds	\$264,947,881	\$268,223,435
31% Cap	\$82,133,843	\$83,149,265
Highway Fund Appropriations:		
Field Services	\$ 46,630,671	\$ 49,317,095
Compliance Enforcement	\$ 4,742,110	\$ 4,845,845
Central Services	\$ 5,801,098	\$ 5,947,675
Management Services	\$ 1,486,625	\$ 1,547,062
Directors Office	\$ 2,926,108	\$ 3,067,298
Administrative Services	\$ 5,135,674	\$ 5,585,205
DMV, Hearings	\$ 1,227,688	\$ 1,225,418
Automation	\$ 5,372,568	\$ 5,184,807
Motor Carrier	\$ 2,906,821	\$ 3,018,753
	\$76,229,363	\$79,739,158
Gross Highway Fund Appropriations	\$ 76,229,363	\$ 79,739,158
Less: State Gas Tax Administration	\$496,646	\$505,315
Revised Total	\$ 75,732,717	\$ 79,233,843
% Net appropriations to Proceeds	28.58%	29.54%
\$ Variance	\$ 6,401,126	\$ 3,915,422

*% for cap has been set based on G01 without the backfill for GST and penalties. This methodology has been utilized in prior biennia to ensure a similar variance.

Department of Motor Vehicles
22% Cap Calculations
G01 as of 12/30/14 and Blue Book as of 11/20/14
Without Highway Fund Backfill

	Leg. Approved FY16	Leg. Approved FY17
Projected Highway Fund Revenues	\$ 255,581,196	\$ 259,705,041
Record Search Reversion	\$ 500,000	\$ 500,000
Insurance Reversion	\$ 7,184,847	\$ 6,936,256
Special Plates Reversion	\$ 1,681,838	\$ 1,082,138
Total Highway Fund Proceeds	\$264,947,881	\$268,223,435
22% Cap	\$58,288,534	\$59,009,156
Highway Fund Appropriations:		
Field Services	\$ 24,847,775	\$ 26,473,861
Compliance Enforcement	\$ 4,742,110	\$ 4,845,845
Central Services	\$ 5,801,098	\$ 5,947,675
Management Services	\$ 1,486,625	\$ 1,547,062
Directors Office	\$ 2,926,108	\$ 3,067,298
Administrative Services	\$ 5,135,674	\$ 5,585,205
DMV, Hearings	\$ 1,227,688	\$ 1,225,418
Automation	\$ 5,372,568	\$ 5,184,807
Motor Carrier	\$ 1,874,560	\$ 1,959,697
	\$53,414,206	\$55,836,868
Gross Highway Fund Appropriations	\$ 53,414,206	\$ 55,836,868
Less: State Gas Tax Administration	\$496,646	\$505,315
Revised Total	\$ 52,917,560	\$ 55,331,553
% Net appropriations to Proceeds	19.97%	20.63%
\$ Variance	\$ 5,370,974	\$ 3,677,603

Self-Service Kiosks

In 2011, the department was successful in obtaining the necessary legislative and regulatory changes that moved the kiosk program out of the Highway Fund and into a self-funded program. Customers now pay a processing fee ranging from \$1.00 for a driver history record to \$3.00 for a vehicle registration renewal as a “pass-through” to compensate the vendor for providing and maintaining the kiosks. This legislation also allowed the Department to expand and grow the kiosk program. In March 2011, we deployed 18 new kiosks in community based retail centers, rural areas, and our universities, bringing our total to 45 with 17 located in DMV offices and 28 in partner locations. Despite the added fee paid by the customer, kiosk transactions continue to increase.

FY 12	FY 13	FY 14
501,391	538,461	577,771

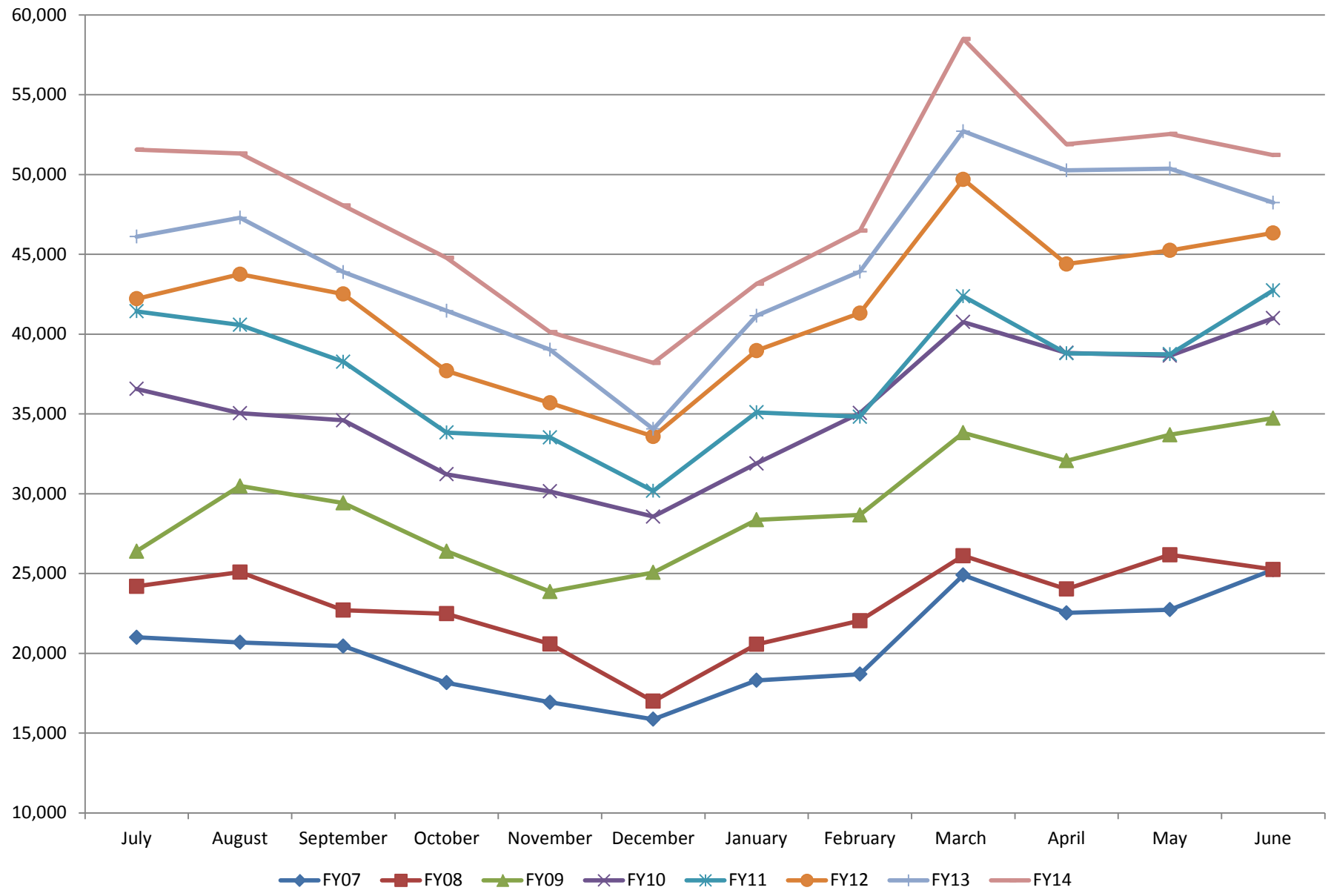
The new kiosks were placed in secure areas that offer expanded service hours, including weekends and holidays. Kiosks in partner locations are provided at no cost to the state or the partner. Due to the closing of some of the Albertson’s and Scolari’s grocery stores, several kiosks had to be relocated. The Department was successful in entering into new partnership agreements with BuyLow Market in southern Nevada and Raley’s in northern Nevada. We deployed a self-service kiosk at BuyLow in 2013 and three in Raley’s northern Nevada stores during 2014.

There are no immediate plans for another expansion. However, we are currently working with the kiosk vendor to complete a refresh of the kiosks with new screens and graphics.

Nevada has a large percentage of population that utilizes cash as the primary form of payment, which limits the use of kiosks for those customers to only the machines located within Department offices. We explored the option to pilot a program allowing designated partnership locations to enter into agreements to manage the acceptance of cash through the kiosks, but were unable to negotiate terms satisfactory to all parties.

We were successful in implementing the ability to utilize a veteran’s exemptions while utilizing kiosks. We will also be expanding the available kiosk transactions by adding duplicate registrations and decals, as well as the ability for customers to donate \$2 to select counties with Complete Streets Programs.

Total Kiosk Transactions FY07 - FY14



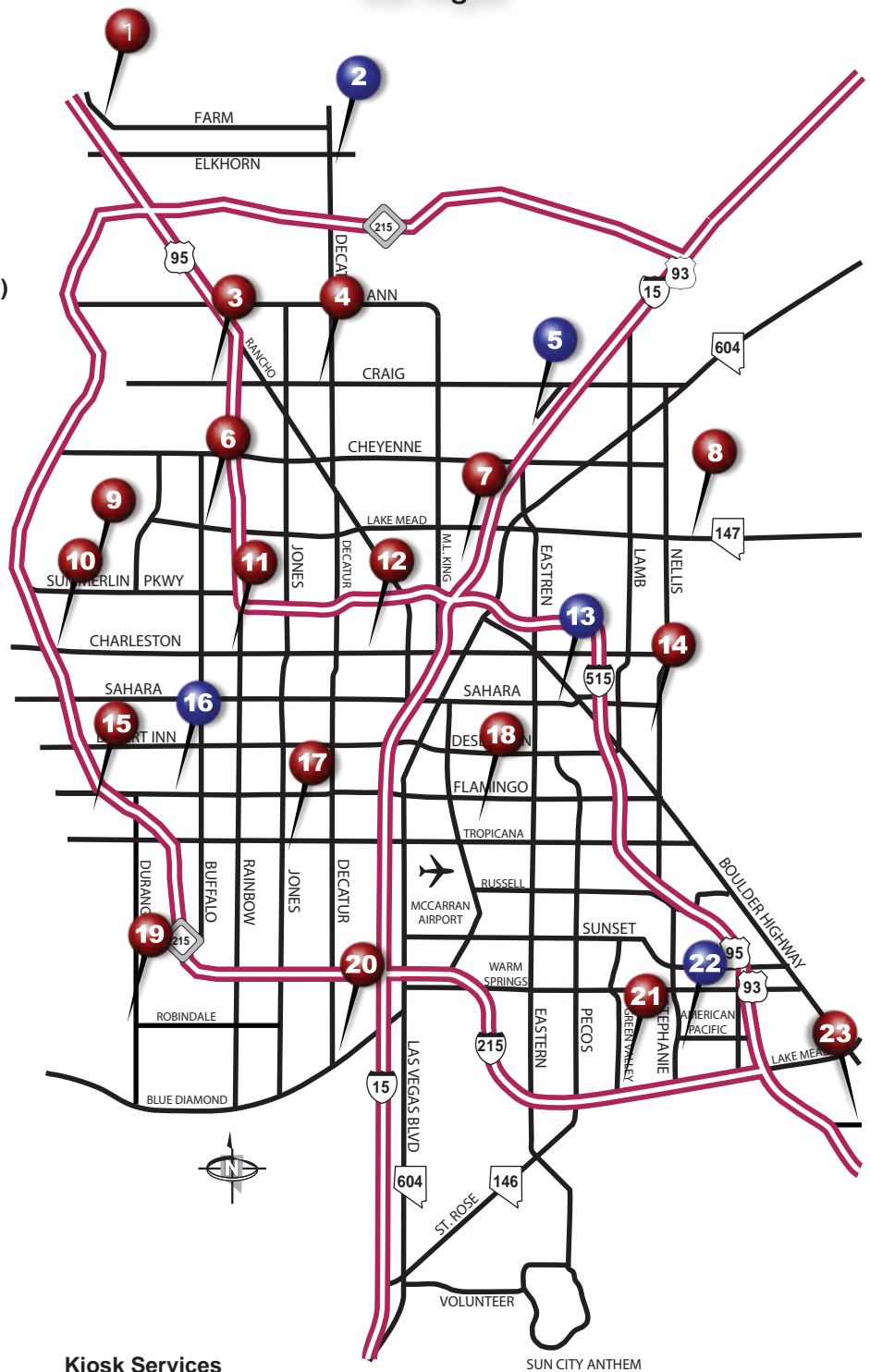


DON'T DO THE DRIVE!

Find a DMV kiosk near you!

Las Vegas

- 1** Albertsons - N. Durango & Farm Rd.
8410 Farm Rd.
- 2** DMV - Las Vegas (North Decatur)
7170 N. Decatur Blvd.
- 3** Albertsons - Craig & Tenaya
7151 W. Craig Rd.
- 4** Albertsons - Craig & Decatur
4850 W. Craig Rd.
- 5** DMV - N Las Vegas (CDL/Motor Carrier)
4110 Donovan Way
- 6** AAA - Lake Mead & Buffalo
7501 W. Lake Mead, #106
- 7** Buy Low - Owens & M.L. King
1061 W. Owens Ave.
- 8** Albertsons - Lake Mead & Hollywood
6885 E. Lake Mead Blvd.
- 9** Fabulous Freddys - Summerlin
9611 Trailwood Dr.
- 10** AAA - Charleston & Pavilion Center
10860 W. Charleston Blvd. #130
- 11** Albertsons - Rainbow & Charleston
1001 S. Rainbow Blvd.
- 12** AAA - Charleston & Valley View
3312 W. Charleston Blvd.
- 13** DMV - Las Vegas East Sahara
2701 E. Sahara Ave.
- 14** Albertsons - Nellis & Vegas Valley
2835 S. Nellis Blvd.
- 15** Albertsons - Flamingo & Hualapai
10140 W. Flamingo Rd.
- 16** DMV - Las Vegas West Flamingo
8250 W. Flamingo Rd.
- 17** Albertsons - Tropicana & Jones
5975 W. Tropicana Ave.
- 18** UNLV Student Union
4505 Maryland Pkwy.
- 19** AAA - Durango & Robindale
7445 S. Durango Dr., # 103
- 20** Albertsons - Blue Diamond & Decatur
4800 Blue Diamond Rd.
- 21** AAA - Green Valley & Pebble
1000 N. Green Valley Pkwy., # 620
- 22** DMV - Henderson
1399 American Pacific Dr.
- 23** Albertsons - Horizon & College Dr.
575 College Dr.
- NOT SHOWN:**
- 24** Albertsons - Boulder City
1008 Nevada Highway



Kiosk Services

- Registration Renewal
- Insurance Suspension Reinstatement
- Driver History Printout
- Driver's License or ID Card Renewal
- Duplicate Driver's License, Instruction Permit or ID Card

Nevada Department of Motor Vehicles

(702) 486-4368 or (877) 368-7828 - www.dmvnv.com



DON'T DO THE DRIVE!

Find a DMV kiosk near you!

Reno/Sparks

Kiosk Services

Registration Renewal
Insurance Suspension Reinstatement
Driver History Printout
Driver's License or ID Card Renewal
Duplicate Driver's License,
Instruction Permit or ID Card



- 1** **Raley's - Sparks**
2389 Wingfield Hills Rd.
- 2** **UNR Joe Crowley Student Union**
1664 N. Virginia St.
- 3** **DMV - Reno**
305 Galletti Way
- 4** **Scolari's - Caughlin & McCarran**
4788 Caughlin Pkwy.
- 5** **AAA - South Virginia**
6795 S. Virginia St.
- 6** **Scolari's - McCarran & Mira Loma**
3310 S McCarran Blvd.
- 7** **Raley's - Mt. Rose Highway**
18144 Wedge Pkwy.
- NOT SHOWN:**
- 8** **DMV - Carson City**
555 Wright Way
- 9** **Raley's - Gardnerville**
1363 US Highway 395 N
- 10** **Scolari's - Fernley**
1400 US Highway 95A

Customer Service (Field Services Division)

DMV's Field Services Division is the "Face" of the DMV. The Field Services Division (FSD) offers services in 18 offices throughout the state with direct face-to-face contact with the public. FSD is responsible for direct customer service operations for the driver licensing and vehicle registration functions. Field Services assures that only safe and knowledgeable drivers receive the privilege to drive on our highways. It also registers vehicles, collects appropriate fees and taxes imposed upon the owners and operators of vehicles, and provides service in the insurance verification program.

Current Wait Times by Office

Office	Oct	Nov	Dec	Office	Oct	Nov	Dec
Decatur	101	143	104	Henderson	72	122	105
Flamingo	78	124	117	Sahara	60	106	91
Galletti	62	98	66	Carson City	29	43	43
W/O Carson	75	119	97	6 Metro Offices	67	106	88

Wait Time Comparison in the 6 Metropolitan Offices

FY2013 = 40 minutes

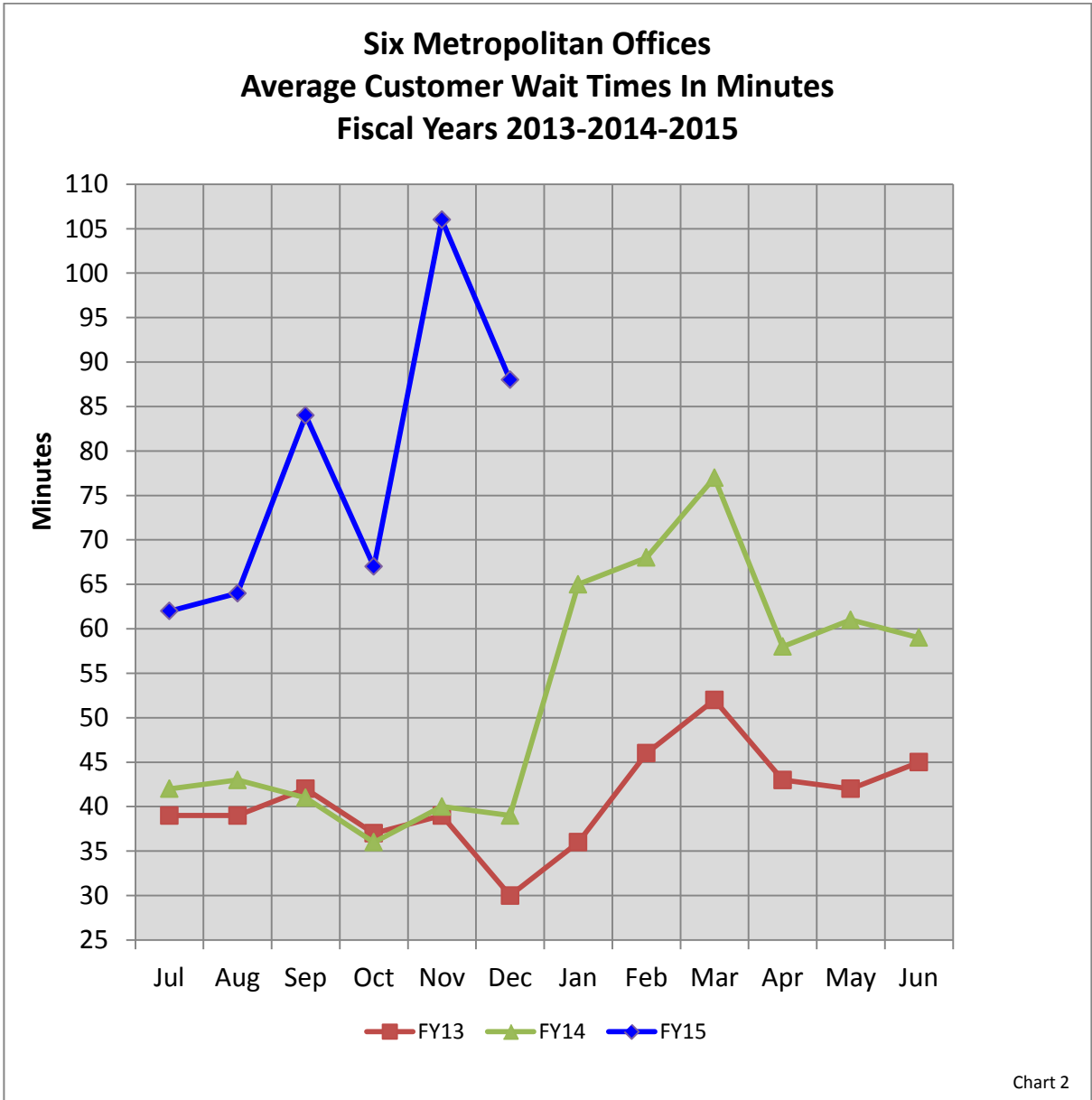
FY2014 = 52 minutes

YTD FY 2015 = 78 minutes

Overall wait times from FY14 to YTD FY2015 have increased with the addition of several programs implemented within a small period of time. The Driver Authorization Card (DAC) program came in to effect in January of 2014. Directly following the implementation of DAC was the 8-Year Driver's License, additional requirements for Medical Marijuana, Electronic Dealer's Report of Sale (EDRS), followed by the implementation of REAL ID. The deployment of these five programs occurred between January and November of 2014.

In 2014, the DMV also deployed a new customer flow queueing system. The Q-Less queueing system allows a customer to "put themselves in line" via text message, phone, or the web without having to visit a DMV office and wait in the lobby to be served. The technology of this new system provides the customer with more control over their own wait time by allowing them to virtually wait their time in line outside of a DMV office. The customer is provided frequent statuses of their position in the line and notifies them when they need to physically arrive at the DMV office. This system also allows the customer to push themselves back in line if the time of their scheduled arrival to the front of the line is not convenient. Although the ability to push back wait time can be convenient to the customer, it can also affect overall wait times.

Total Wait Times

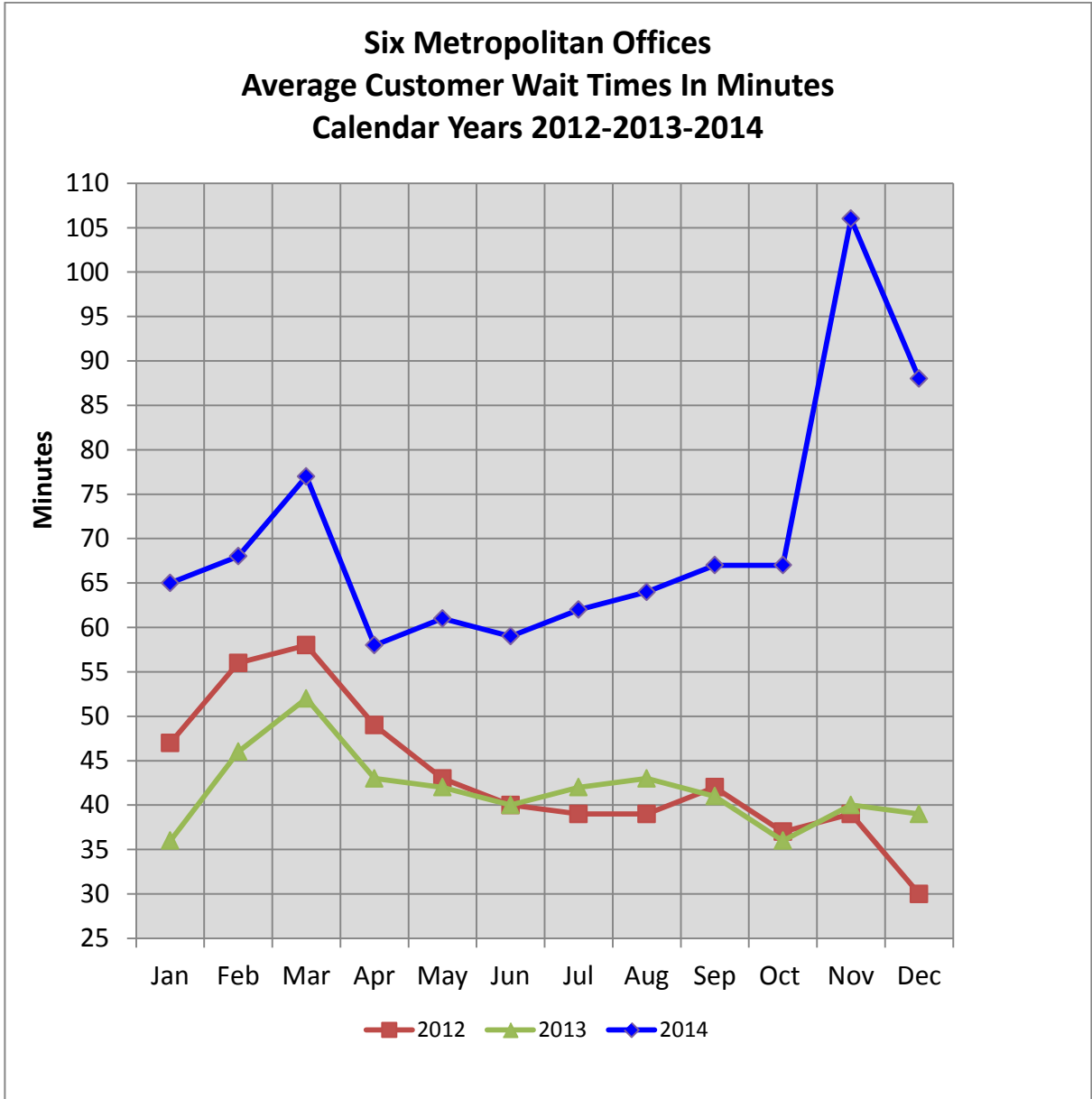


Calendar Year Wait Time Comparison in the 6 Metropolitan Offices

2012 = 43 minutes

2013 = 42 minutes

2014 = 72 minutes



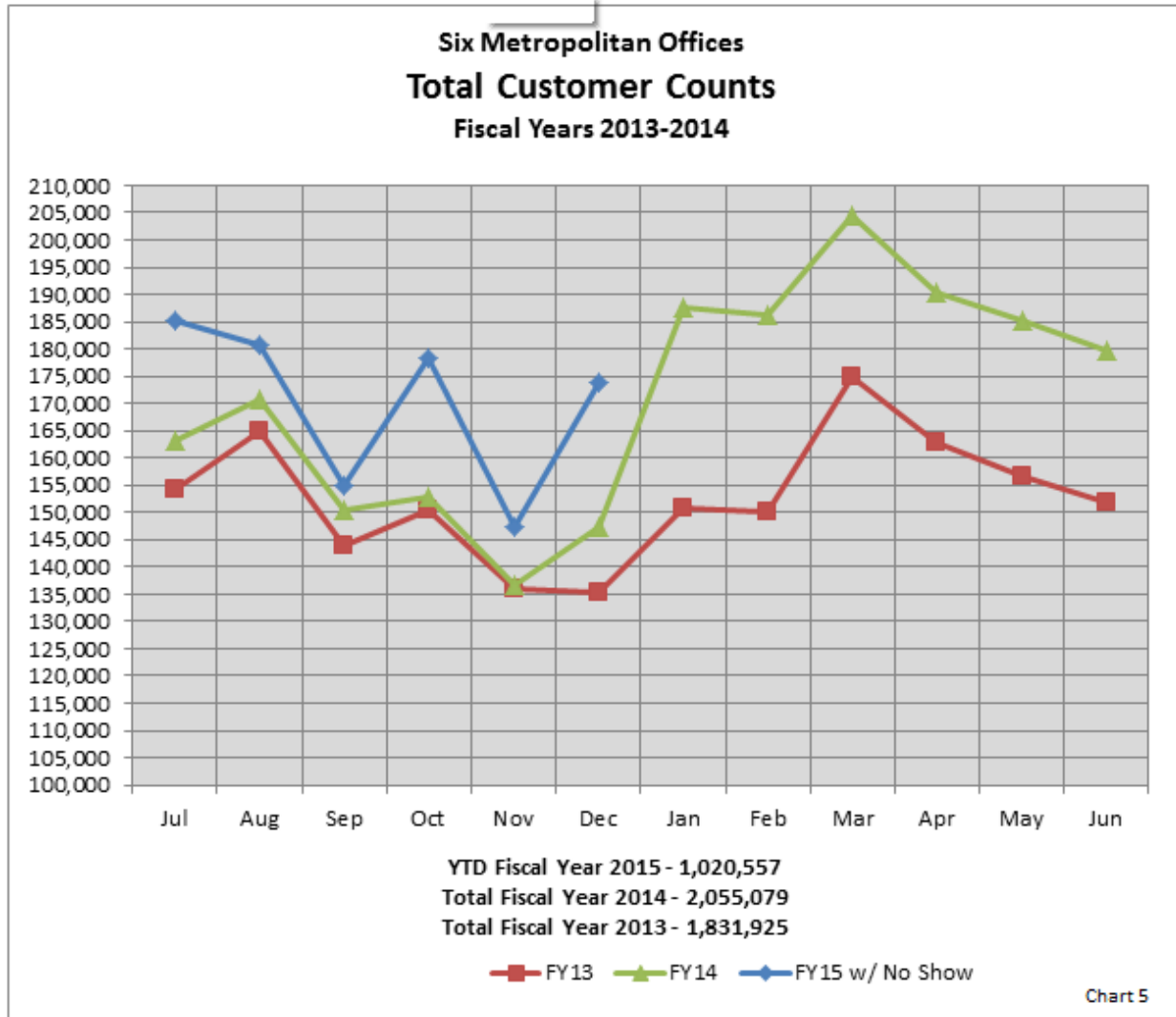
Customer Count Comparison in the 6 Metro Offices

FY2013 = 1,831,925

FY2014 = 2,055,079

YTD FY2015 (Jul 2014-Dec 2015) = 1,020,557

Total Customer Counts



From FY2013 to FY2014 there were 223,154 more customers served which equates to a 12.18% increase in customer counts.

When isolating the five metro offices, 214,583 more customers were served from FY2013 to FY2014 representing a 12.5% increase.

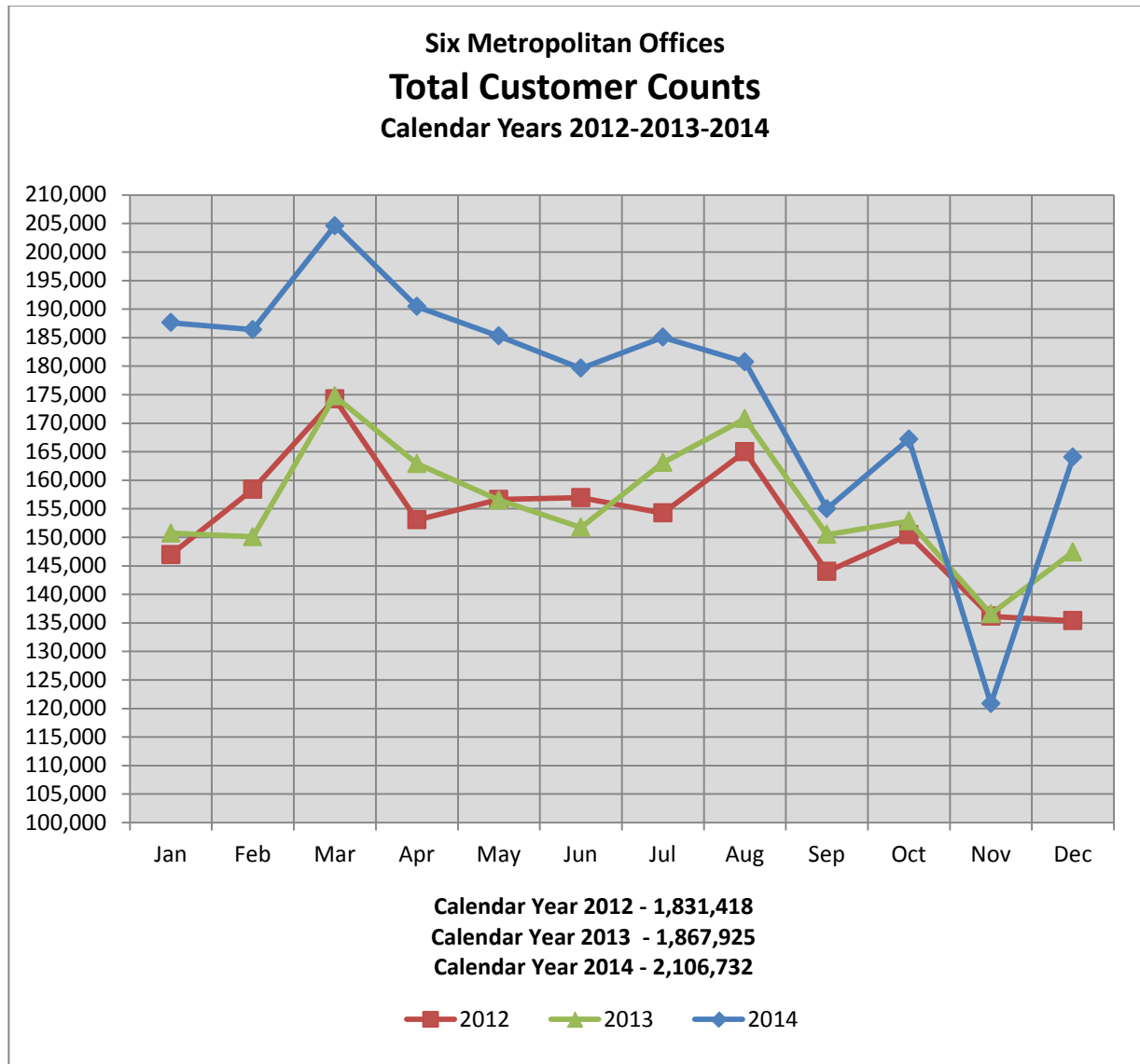
In FY2014 the five metro offices conducted 458,831 registration renewal walk-in transactions (197,811 at the counter and 261,020 at office kiosks). This transaction is available online, at partnership kiosk locations and by mail.

Calendar Year 2012-2014 Customer Count

2012 = 1,831,418

2013 = 1,867,925

2014 = 2,106,732



From calendar year 2012 to calendar year 2013, there were 36,507 more customers served which equates to a 2% increase in customer counts. From calendar year 2013 to calendar year 2014, there were 238,807 more customers served which equates to a 12.8% increase in customer counts.

When isolating the five metro offices, 38,678 more customers were served from calendar year 2012 to calendar year 2013 representing a 2.3% increase in customer counts, and 235,985 more customers were served from calendar year 2013 to calendar year 2014 representing a 13.5% increase.

Ongoing demands and changes to requirements and processes, primarily the DAC, 8-Year Driver's License, Medical Marijuana, EDRS, and REAL ID continue to effect the anticipated customer wait times. Although beneficial, most require more involvement by the technicians and add to the overall process.

Prior Budget Reductions

In the 2009 Legislative Session, staffing for the Field Services Division was reduced by 93 full-time positions whereas 85 of them were window technician positions. The staff reduction caused a negative impact to customer wait times. In an effort to keep customer wait times down, the Department had to utilize drive examiners to work production windows and support vacant supervisory positions. This resulted in a negative impact to drive test scheduling. As a result, drive examiners have been directed away from the windows and back to focusing on drives tests. Drive tests are now available on an acceptable and timely schedule.

In October 2013, FSD received 10 technician positions with the implementation of the DAC program, as well as eight drive examiners to achieve positive drive test scheduling.

Staffing shortages continue to affect the production of the Field Services Division. Therefore, the Governor's budget contains a request to fund 68 technician positions, and 7 supervisor positions which achieves the 100% staffing model necessary for FSD to perform at maximum capacity.

The basis of this request surrounds the need for the offices to offer maximum coverage at the front counter windows. Aside from offering direct face-to-face services, a DMV office has additional activities that occur behind the front counter referred to as back office work. Tasks such as document checking, title matching, document processing, correspondence, bulk fleet title and registrations, registration services and many others have to be completed within a specific timeframe. Additionally, since these offices are operating at 6 days a week, staff has to be scheduled for a day off Monday - Friday. When an office is short staffed due to sick days, vacation days or regular days off, the back office work is delayed in order to cover the front windows. This scenario can only last for a short period as the back office work has deadlines. If an office is short staffed for more than one or two days, some of the front windows are forced to close down in order to catch up on back office work. With 100% staffing, we anticipate a positive impact to wait times by offering maximum window coverage.

It is anticipated that the achievement of 100% staffing levels will allow the Nevada DMV's Field Service to provide improved customer service and significantly reduce wait times.

Information Technology

Network Switches

Network switches in the Carson City office are reaching a critical end of life status. These switches control all data communications within the building. 2 of the 5 control our core communications access to internal services, connection to EITS, payment card processing, validation with Federal agencies, Insurance verification, web based customer services, and access to the internet. The process of replacing these units requires coordination with EITS and vendor services to ensure proper configuration of the new equipment with minimal down time during the switch over.

Server Hardening and Personnel

With the State of Nevada's increased emphasis on infrastructure and data security, additional resources have been requested to install and support such tools as Tenable, Messaging Gateway, and Data Center Security Server based security. These necessary tools identify security threats that must be addressed in order to meet requirements for infrastructure security. Additional personnel are needed to handle the resulting increase in workload.

F5 Project

Today's security threats have resulted in industry innovation that render our current web interface solutions obsolete and in need of replacement. This new interface is required to control all traffic in and out of the DMV. This traffic includes payment card processing, validation with Federal agencies, Insurance verification, web based customer services, and access to the internet.

Optim Project

The department is working on implementing a Test Data Management solution that will extract specific subsets of data from Production data. Test Data Management solution includes data masking and privacy features that will hide personal identifying information and scramble key information. The solution will help IT staff troubleshoot production issues by transferring specific set of records and recreating the issue in a test environment. The tool also allows programmers to view changes to the database made by specific transactions. The solution features an archive tool that allows the department to create an encrypted archive and purge old data from Production.

Secure Placards

Currently the department is working on issuing secure placards from all Dealerships. The first pilot dealerships began issuing these placards the week of January 12th. New dealer placards are web-based and computer generated. The new tags can be verified quickly by law enforcement and have both overt and covert security features which will make them harder to counterfeit or tamper with and provides the following:

- On-demand, local printing of temporary vehicle tags
- An authenticable security seal that is uniquely serialized
- Centralized repository for temporary tag issuance and expiration
- Provides a unique identifier for DMV and dealer use

The old tags were vulnerable to counterfeiting and tampering and could not be verified by law enforcement. This new system makes the temporary tag system more secure for Nevadans who purchase a vehicle.

Electronic Title Processing

During the 77th Legislative session, AB309 – Expedited Title Processing/Shipping and Electronic Lien and Titling was passed. In June 2014, the DMV began offering expedited titles processing. Currently, an expedited title can be processed within 2 working days and gives customers the option to request expedited shipping via Federal Express. Currently the department is beginning work to implement electronic lien and titling. This new system will allow Lien Holders the ability to receive titles electronically rather than in paper format. This also results in savings to the Department for printing and mailing costs.

Real ID Phase 2

The Department began issuing Real ID Driver Licenses and ID Cards on November 12, 2014. As of December 12th, we have issued 9,380 Non-Commercial Driver Licenses, 255 Commercial Driver Licenses and 2,699 ID cards under the Real ID program. The Department has begun working on Phase 2 of the Real ID project which will consist of the following:

- Maintain high standards currently in place and simplify the renewal process for permanent residents.
- Automate re-verification when a passport check comes back as a “No match.”
- Automate some of the behind the scenes processes when immigration documents need to be verified again at a later date.

Technology Fee Project

The Department has submitted a BDR for authority to collect a \$1 technology fee for a select group of transactions. The technology fee will help offset the initial costs of a System Modernization as well as ongoing maintenance costs.

CDLIS & CLP Project

Commercial Learners Permit (CLP) is a federally mandated rule that requires applicants for a CLP to meet the same requirements as licensed commercial drivers. Compliance to this rule is a condition for receiving Federal Highway funds and includes new requirements to aid in preventing fraud. For example; Social Security numbers are required to be verified; legal residency within the United States must be proven; drive test examiners will undergo background checks and formal training; and the use of interpreters will be prohibited for knowledge and skills testing.

New CLP rules will require the Commercial Driver’s License Information System (CDLIS) to be updated. CDLIS is a nationwide computer system that enables State driver licensing agencies (SDLAs) to ensure that each commercial driver has only one driver’s license and one complete driver record. State driver licensing agencies use CDLIS to complete various procedures, including:

- Transmitting out-of-state convictions and withdrawals.
- Transferring a driver record when a CDL holder moves to another state.
- Responding to requests for driver status and history.

SharePoint

SharePoint 2010 is a great product and provides many new features including seamless integration with other Office tools, major improvements to searching, and great collaboration features. In order to fully utilize and ensure our present implementation is a success, we require additional resources for users to

be educated, trained and have access to test environments for hands on experience. Additional hardware resources are required for disaster preparedness such as clustered environments to ensure the system downtimes are minimized as currently; we have one singular point of failure. Regular migration plans to update SharePoint to the latest software version will help protect us from ongoing potential security threats.

SB13 (2013 Legislative Session)

SB 13 granted the Department authority to suspend the registration of any vehicle if the method of payment for the registration fee is returned unpaid. With the implementation of this bill, the Department can suspend the vehicle registration which will include notification to law enforcement any time the license plate is checked. This process is currently being handled manually. Programming staff are currently working to automate this project.

Clark County Index Fuel Tax

Programming staff is working on an enhancement to our existing fuel tax system to collect and distribute index taxes for the fuel sold in Clark County which began on January 1, 2014. The additional fuel tax will be used for funding Clark County road projects. Clark County is providing all of the funding by reimbursing the DMV for the costs to fully implement this enhancement. The Department has hired a contractor to do the majority of the programming for this multi-phase project.

IRP Full Reciprocity

Staff is working on an enhancement to our system that will enable Motor Carrier vehicles registered under the International Registration Plan (IRP) to travel in all jurisdictions without paying additional fees. The first year registration fees will be apportioned between all member jurisdictions. In the subsequent year, the carrier will report miles they traveled for each jurisdiction. Fees will be calculated for just the traveled jurisdictions, while the carrier still retains a registration card allowing travel for all IRP member jurisdictions. This change will eliminate both second year estimates and additional jurisdiction transactions.

3-Year Trailer Registration and Complete Streets

In December 2014, DMV began offering 3-year trailer registrations as well as collecting donations for the Complete Streets program. To date, we have processed 2,865 3-year trailer registrations and have collected approximately \$6,030 for Complete Streets. We are also currently working on implementing both functionalities on the kiosks.

BORG

The DMV continues to look for ways to improve and assist in making good strategic decisions. One place the Department decided to explore was the world of Business Analytics. Once staff successfully built a proof of concept, management decided to move forward and build such a tool which has become the Business Operational Report Generator (BORG) Project. The BORG Project is in its infancy and continues to grow. We have completed several phases of implementation of Analytical Reporting. In order to continue to meet growing demands for reporting, this project will require ongoing assessment of report requests, resources, training and communications with the Subject Matter Experts (SME) and Business Teams.

License Plate Factory

Self-Funding Business Model in Process:

Effective July 1, 2013, the License Plate Factory became a stand-alone program operating independently under its own budget account (4712).

On Saturday, October 5, 2013, the Department began collecting fees (on behalf of the Factory) from the sale of standard issue license plates produced at the facility. As a result, the Factory now operates as a self-funded entity. All costs to run the program are paid from revenues acquired from license plate sales and the factory is no longer dependent on Highway Fund appropriations to support operations.

- In FY14, after 9 months of operation under the new funding model, the department collected \$1,971,592 in license plate fees.
- As of December 31, 2014 the Department has collected \$1,305,135.00 during the first six months of FY15. Current trends forecast the factory will collect between \$2.6 and \$2.7 Million in FY15.

Construction and Relocation:

Construction of the new 11,780 square foot Factory will soon be completed on the grounds outside the fence at the Northern Nevada Correctional Center (NNCC) in Carson City. Relocation from the current location at the Nevada State Prison (NSP) to the new facility at NNCC and transition of the Factory's operations will begin soon with all production moving to the new facility by May 1, 2015.

The Future of License Plate Production in Nevada:

When transition to the new facility has been completed, Nevada's license plates will be manufactured using a hybrid approach, blending current modern day digital technologies with traditional style license plate stamping. The unique integration of both processes will allow Nevada's new License Plate Factory to produce license plates meeting advanced industry standards for reflectivity and visibility, while simultaneously providing an end product possessing a traditional look and feel.

Equipment and Process Enhancements:

Approved by the Board of Examiners in October 2014, the Department has completed the Request for Proposal (RFP) process and awarded the License Plate Factory's (production line) equipment contract to the Irwin Hodson Group (IHG).

IHG, an innovator in license plate production technologies, has been tasked with equipping Nevada's new factory with the latest equipment. Individual pieces of equipment are anticipated to begin arriving in March with final components expected to arrive in July.

The Factory's new production line will have the capacity to produce over 1,250,000 individual license plates annually on a single shift. Equipping the factory with new manufacturing systems from IHG and graphic sheeting materials from 3M will provide the Department with the ability to enhance production capabilities. IHG representatives have begun the process of manufacturing and procuring the equipment necessary to bring these new processes into fruition.

Using these new processes will also allow for a redesign of Nevada's standard issue "Sunset" license plate which has been in circulation since 2000.

FY16/17 Enhancements:

- ✓ Add Maintenance Repair Aid IV (Day-shift Inmate Supervision & Maintenance Support);
- ✓ Upgrade Prison Industries Supervisor II to a DMV Manager II;
- ✓ Inmate Personal Protective Equipment (OSHA Standards);
- ✓ Replacement Computers and Printers;
- ✓ Replacement Forklift and Pallet Jack;
- ✓ Miscellaneous small equipment items (carts etc.) to support new operations.

Proposed BDR's:

BDR 15A8101247 – The Eight-Year License Plate Reissue Bill - As proposed, this BDR proposes an eight-year rolling reissue of license plates to preserve the reflectivity, legibility and readability of Nevada's license plates in effort to ensure public safety. The estimated number of plates to be reissued each year beginning in FY17 is approximately 350,000 sets. In order to provide for the needs of a reissue, the Factory would staff and operate a second shift Monday through Friday.

BDR 15A8101247 Eight-Year License Plate Reissue Bill, Accompanying Enhancements:

- ✓ Addition of a Program Officer II (Swing Manager);
- ✓ Additional Driver Warehouse Worker I (Swing Inmate Supervision & Operational Support);
- ✓ Additional Maintenance Repair Aid IV.(Swing Inmate Supervision & Maintenance Support)

BDR15A8101259 – The License Plate Factory Reversion Bill - As proposed, this BDR makes changes to AB505, passed in the 2013 Legislative Session, which established a Capital Improvement Project (CIP) fund for the construction of a new License Plate Factory at the Northern Nevada Correctional Center (NNCC). As written, this BDR removes annual installment requirements (spread over five years) to repay construction costs totaling \$3,824,612 to the Highway Fund in favor of a reverting account. Remaining funding at year end in excess of \$1 Million would revert to the State's General Fund at the close of FY15 and to the State's Highway Fund in subsequent fiscal years thereafter.

Off-Highway Vehicle (OHV)

In preparation for the upcoming Legislative Session, the Department has prepared a bill draft request (BDR) proposing a new funding model for the Off-Highway Vehicle (OHV) Registration and Titling program.

The Department's BDR proposes the OHV program should operate similar to an enterprise business fund, wherein the payment of costs encumbered to operate the OHV program (from revenues earned) would occur prior to disbursement of funds to the OHV Commission. Department staff has presented the proposed funding solution in person and in writing to the OHV Commission.

The Department of Administration's Division of Internal Audits recently conducted a study of the OHV program. Audit findings were presented to the Executive Branch Audit Committee on December 10, 2014. Auditor suggestions echoed the Department's recommendations for an enterprise based business model.

A redirection of funds in favor of paying expenses first will help ensure the program's solvency over the next several years. However, as program compliance grows through education and enforcement, and resultant revenues increase, an enterprise model will provide for a maximum distribution of funds to the OHV Commission. Under the existing model, excess revenue held by the Department cannot be released to the Commission.

Note: Presently, the Department receives 15% of all registration fees collected while the OHV Commission receives the remaining 85%. Under the current model, the Department retains all OHV title revenues.

Current Statistics:

As of December 31, 2014, the Department has:

- Licensed 75 OHV dealers since the program went live July 1, 2012;
- Issued 77,358 registrations since the program went live consisting of:
 - ✓ 48,304 first time registrations;
 - ✓ 28,656 renewals;
 - ✓ 398 duplicate registrations.
- Processed 19,357 OHV titles since the program was implemented on July 1, 2012.

As of December 31, 2014 the OHV Program has collected a total of \$610,065.25 in revenue this fiscal year with:

- \$372,593.25 allocated to the OHV Commission;
- \$237,482.00 provided to the Department.

In FY14, the OHV Program collected \$1,070,621.25 in revenue with:

- \$665,388.50 allocated to the OHV Commission;
- \$405,232.75 provided to the Department.

Proposed BDR's:

BDR 15A8101161 – The Off-Highway Vehicle Cleanup Bill - As proposed, this BDR serves as a cleanup bill for SB109, which passed in the 2013 Legislative Session, and made changes to the Off Highway Vehicle (OHV) program. Language contained within this BDR provides for the collection of a dealer license plate fee of \$12.00, consistent with the automotive industry. BDR15A8101161 also changes the current commission split (85%/15%) in favor of a new funding model wherein all revenues acquired, in excess of program costs and \$150,000 reserve, are passed onto the OHV Commission for use in project awards.

2015 Legislative Session

DMV Proposed Bill Draft Requests

Budget Bills

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BDR 15A8101250 – The System Modernization Bill would modernize the agency's aging information technology platform. System modernization will replace the current mainframe system with a new unified platform that will include an integrated financial system; correspondence management capability; customer relationship management functionality; business analytics; and a case management system.

The agency's ultimate goal is to deploy a secure and up-to-date technology platform that will be easy to configure and maintain and also provide the necessary automated tools to test, monitor, troubleshoot and manage the system in a real-time environment.

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Housekeeping Bills

AB32 (BDR 32-382) – The Special Fuel Conversion Rates Bill would adjust the fuel tax rate for compressed natural gas (CNG) and liquefied petroleum gas (LPG) to coincide with the rate the Nevada fuel industry has historically paid. This amendment would also provide a conversion of the volumetric measurement for the purposes of taxing the sale or use of liquefied natural gas (LNG).

AB37 (BDR 40-379) – The Consignment Auction Bill provides that, for the purpose of entrusting or authorizing a consignee to sell or display for sale a motor vehicle at an auction the registered owner or lienholder may not be an automobile wrecker, body shop, distributor, manufacturer, rebuilder, salvage

pool, vehicle dealer or garage y thereby making them exempt from providing the evidence of compliance to emissions standards required in certain counties.

SB21 (BDR 32-381) – The **Motor Carrier Fuel Tax Reimbursements Bill** - AB413 was passed during the 2013 Session and enabled Clark County to institute an “index” tax on all motor fuel and special fuel sold in the County. It also allows interstate purchasers operating a vehicle in excess of 26,000 pounds to receive a refund on the purchases of Special Fuel used in interstate commerce. Language adopted in 2013 contains requirements and provisions the Department cannot administer or mandate. This bill cleans up and clarifies that language.

SB34 (BDR 40-380) – The **Authorized Maintenance Stations for Emissions Bill** is designed to clean up unnecessary language in NRS 445-B by removing the definition for “authorized maintenance station.” The cleanup is intended to clarify that DMV has two designations for inspections; 1G for inspections only and 2G for test and repair. There is no designation for repair only.

SB43 (BDR 43-378) – The **Railroad Crossing Rules Federal Motor Carrier Safety Administration Audit (FMCSA) Bill** is designed to bring Nevada into compliance with federal rules involving railroad crossing offenses committed by a licensed commercial driver. Changes to statute would correct omissions in the current laws that were identified in an FMCSA audit.

Enhancement Narratives

B/A 4712 – License Plate Factory

E225

This enhancement requests a new Maintenance Repair Aid IV to work the day shift at the License Plate Factory. In 2015, the Factory will be receiving new highly technical equipment that will require a Maintenance Repair Aid to oversee all daily upkeep of the factory equipment as well as oversight of the inmate crew.

E226

This decision unit requests a rolling reissuance of license plates every eight (8) years (BDR 15A8101247). This would be an on-going process moving forward whereby all license plates would be replaced every eight (8) years. The average life expectancy of a license plate is five to ten years. As plates undergo general wear and tear, plate visibility becomes a public safety issue, significantly impacting the ability of law enforcement to identify license plates. Physical damage, adhesion loss, fading, bubbling and corrosion are all factors that combine to significantly reduce the ability of the human eye and cameras to read license plates.

E228

This request changes the License Plate Factory account from a balance forward account to an account that reverts to the Highway Fund (BDR15A8101259). The Department shall maintain an annual reserve of \$1 million. Any funds in excess of \$1 million at fiscal year-end will revert to the Highway Fund. The BDR referenced above also eliminates the five year CIP payback totaling \$3,824,612 for the new license plate factory since the account will revert annually.

B/A 4715 – Motor Vehicle Information Technology (MVIT)

E225

This enhancement unit requests two Information Technology Technician positions due to workload. These positions will support DMV staff with hardware and software issues, provide department staff spot training, and install replacement equipment. This will allow networking staff to maintain, upgrade, and expand department infrastructure and complete Legislative mandated projects.

B/A 4716 – System Modernization

E550

Budget account 4716 – System Modernization (BDR 15A8101250) has been created to capture the costs in the FY16/17 biennium for an anticipated five (5) year project. This budget account outlines the costs to modernize the current application to provide improved customer service, reduce transaction processing time, increase speed-to-market of offered Department products and reduce system backlog. The cost of the project would be funded by a new technology fee charged for all transactions and Highway Fund appropriations. System modernization would allow for the replacement of the existing and aging Common Business Oriented Language (COBOL) mainframe application and PowerBuilder applications running on disparate platforms with an integrated application that runs on a consolidated platform. The current system has deficiencies which make it difficult and time consuming to keep up with legislative mandates, stay current with new technologies, and meet the growing demands of a technology savvy public.

The goal is to implement a modernized Information Technology platform that is easy to configure and maintain, and also provides the necessary automated tools to test, monitor, troubleshoot, and accurately

manage the system in real time. The modernized solution will provide enhanced security, disaster recovery, fail-over capability, and provide functionality that is easily enhanced to provide an enhanced customer service experience.

B/A 4732 – Hearings

E600

This request eliminates one Adjudicator position and is contingent upon approval of funding for video conferencing equipment for the Northern and Southern Offices requested in E720. This equipment will allow hearings to be conducted via video conference, meaning requests for hearings in Las Vegas can be conducted by Northern staff and vice versa.

B/A 4735 – Field Services

E225

This enhancement requests an additional sixty-eight technician positions for office window coverage and seven supervisor positions over the biennium. The request includes fifty positions in FY16 and twenty-five in FY17.

These positions will aid the Department in providing full time window coverage, six days a week, during all business hours in the five metropolitan offices. This decision unit will result in the Department's ability to maximize the utilization of existing facilities and reduce customer wait times. In addition, the customer queuing system's ability to forecast wait times will also benefit from the full time window coverage as a result of the algorithms it utilizes to perform this task.

B/A 4742 – Management Services and Programs (MSP)

E225

The enhancement requests one (1) Management Analyst III (MA III) position to focus on managing high priority projects, researching and analyzing impacts, and being more proactive in providing state of the art solutions to existing problems and/or changes required by federal and state mandates. Additionally, the MAIII position would allow the Division to reallocate resources so that the existing program officer (PO) positions can focus on annual reviews of departmental forms, policy/procedures, manuals and form revisions.

B/A 4744 – Director's Office

E226

This request funds additional Public Education. The department conducts roughly eight million transactions each year with Nevada's 1.7 million licensed drivers and vehicle owners. One of the agency's key goals is to encourage all eligible customers to use the web and kiosks to complete transactions. By educating the public about alternative services the agency can better keep up with growth and forestall the need for additional staff and facilities. In addition, the agency will continue to roll out new technologies and will require the ability to communicate with the public about these new services. Existing funding for a statewide public education campaign of this magnitude is insufficient.

Customer service is one of the core objectives of DMV. The agency is in the midst of major initiatives to enhance customer service, for example Dash Pass and MyDMV. An integral part of enhancing customer service is to educate the customer about services that are available. As customers become more aware of options such as Dash Pass, MyDMV, kiosks and online transactions, we will be able to shift more of those transactions away from our offices. This will positively impact wait times and the resources required at

our field offices. This optimization of DMV resources is the chief driving force behind our public relations, marketing and advertising efforts.

E250

This request funds three positions in the Human Resource Services Section: one Administrative Assistant and two Compliance Investigators. These positions will form a new Internal Administrative Investigation Unit to provide the consistency and expertise required to conduct thorough fact-finding investigations.

For a Department the size of the DMV with 1,173 authorized FTEs, an investigations unit is needed. NRS also requires the employee to be notified of any disciplinary action within 90 days of being notified of the investigation. Due to the complexity of the investigations, the time it takes to write the SOC, and the review by the Attorney General (AG), the 90 day timeline is often difficult to meet. Trained investigators who are not otherwise trying to complete the full-time duties of a supervisor, manager, or administrator will be able to focus on the investigations and better meet deadlines, while ensuring compliance with state law.

Nevada Department of Motor Vehicles Significant Enhancement Units

Information Technology

- **4715 – E225:** Two ITT 5 Positions
- **4716 – E550:** System Modernization BDR15A8101250

Customer Service

- **4712 – E225:** One Maintenance Repair Aid Position
- **4712 – E226:** 8 Year Rolling Reissue of License Plates BDR15A8101247
- **4712 – E228:** Reserve for Reversion to Highway Fund BDR15A8101259
- **4716 – E550:** System Modernization BDR15A8101250
- **4735- E225:** 75 Positions

General Administration

- **4742 E225:** One Management Analyst III Position
- **4744 E226:** Increase in Public Education Advertising Budget

Personnel and Payroll

- **4744 E250:** Three Personnel Investigative Staff

DEPARTMENT OF MOTOR VEHICLES

Enhancement Summary by Budget Account

Governor Recommends (G01) FY16 & FY17

1/7/2015

<u>B/A</u>	<u>Activity</u>	<u>Dec Unit</u>	<u>Description</u>
4711	Requests for Records Information	E226	Transfer difference between base and projected record search revenue to B/A 4715 - MVIT and B/A 4741 - CSD
	Requests for Records Information	E672	Suspends Longevity
	Requests for Records Information	E710	Replacement Equipment - Chairs
	Requests for Records Information	E715	Replacement Computers and Printers
	Requests for Records Information	E716	Replacement Mircofilm/fiche machines
4712	Customer Service	E225	1 Maintenance Repair Aid IV
	Customer Service	E226	8 Year Rolling License Plate Reissuance - BDR15A8101247
	Customer Service	E227	Inmate Uniforms (shoe protection)
	Customer Service	E228	Reversion to Highway Fund - BDR15A8101259
	Customer Service	E672	Suspends Longevity
	Customer Service	E715	Replacement Computers and Printers
	Customer Service	E716	Replacement Equipment - Forklift and Pallet Jacks
	Customer Service	E720	New Equipment recommended by vendor to support new production process
	Customer Service	E805	Reclassification of Prison Industries Supervisor II to DMV Manager II
4715	Information Technology	E225	2 - ITT 5 positions for Networks
	Information Technology	E226	Transfer-in revenue from Records Search
	Information Technology	E227	Electronic Lien and Titling
	Information Technology	E502	Adjustment to transfer in E902
	Information Technology	E672	Suspends Longevity
	Information Technology	E710	Replacement Equipment - Calculators, Fax Machines, Wireless Headsets
	Information Technology	E711	Replace Agency Owned Vehicles with Fleet Services Vehicles
	Information Technology	E715	Replacement Computers, Printers, Software, Servers, Routers and Switches
	Information Technology	E716	Replacement of Carson City Switches
	Information Technology	E719	Replacement of Microwave Equipment in Ely
	Information Technology	E720	Symantec - Altiris Critical Server Protection
	Information Technology	E806	Administrator salary adjustment
	Information Technology	E902	Transfer of CommVault software premier support and maintenance from budget account 4746
4716	Customer Service, Information Technology	E550	System Modernization Technology Investment Request - BDR15A8101250

4717	Administration of Commercial Motor Vehicle and Fuel Industry Programs	E226	Highway Fund Backfill for GST commisions
	Administration of Commercial Motor Vehicle and Fuel Industry Programs	E501	Adjustment to transfer in E901
	Administration of Commercial Motor Vehicle and Fuel Industry Programs	E672	Suspends Longevity
	Administration of Commercial Motor Vehicle and Fuel Industry Programs	E710	Replacement Equipment - Fax Machines, Calculators, Wireless Headsets
	Administration of Commercial Motor Vehicle and Fuel Industry Programs	E715	Replacement Computers and Printers
	Administration of Commercial Motor Vehicle and Fuel Industry Programs	E901	Transfer annual support and upgrade Assurance Document Manager for the Disaster Recovery System from budget account 4746
4722	Regulation of Vehicle Emission Standards, Regulation of Auto Industry	E250	Sahara moving expenses
	Regulation of Vehicle Emission Standards, Regulation of Auto Industry	E503	Adjustment to transfer in E903
	Regulation of Vehicle Emission Standards, Regulation of Auto Industry	E672	Suspends Longevity
	Regulation of Vehicle Emission Standards, Reguation of Auto Industry	E710	Replacement Equipment - Chairs, Calculators, Fax Machine, Wireless Headsets
	Regulation of Vehicle Emission Standards, Reguation of Auto Industry	E711	Replace Agency Owned Vehicles with Fleet Services Vehicles
	Regulation of Vehicle Emission Standards, Reguation of Auto Industry	E715	Replacement Computers and Printers
	Regulation of Vehicle Emission Standards, Reguation of Auto Industry	E720	Active Shooter equipment, travel, and training (Costs shared with 4740 - 37%)
	Regulation of Vehicle Emission Standards, Reguation of Auto Industry	E800	Public Safety General Services Dispatch
	Regulation of Vehicle Emission Standards, Reguation of Auto Industry	E903	Transfer annual support and upgrade Assurance Document Manager for the Disaster Recovery System from budget account 4746
4731	NV Live Program	E225	Transfer to Highway Fund
	NV Live Program	E672	Suspends Longevity
	NV Live Program	E710	Replacement Equipment - Chairs
	NV Live Program	E715	Replacement Computers and Printers
4732	Administrative Hearings for Citizens Disputing Department Actions	E600	Eliminate DUI Adjudicator Position
	Administrative Hearings for Citizens Disputing Department Actions	E672	Suspends Longevity
	Administrative Hearings for Citizens Disputing Department Actions	E710	Replacement Equipment - Shredders, Digital Voice Recorders, Transcribers, Chairs

	Administrative Hearings for Citizens Disputing Department Actions	E715	Replacement Computers and Printers
	Administrative Hearings for Citizens Disputing Department Actions	E720	Video Conferencing Equipment for Las Vegas, Reno, and Carson City - Companion to DUI Adjudicator position elimination
4735	Customer Service	E225	75 Positions for 100% Staffing
	Customer Service	E226	Highway Fund Backfill for GST commisions and penalties
	Customer Service	E230	Q-Less Enhancement
	Customer Service	E504	Adjustment to Transfer in E904
	Customer Service	E672	Suspends Longevity
	Customer Service	E710	Replacement Equipment - Chairs, Fax Machines, Calculators, Wireless Headsets
	Customer Service	E715	Replacement Computers and Printers
	Customer Service	E716	100% Pin Pad replacement
	Customer Service	E904	Transfer annual support and upgrade Assurance Document Manager for the Disaster Recovery System from budget account 4746
4740	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E235	Add back PCN CC8029 OHV Compliance Investigator II and one-time costs associated with OHV - BDR15A8101161
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E505	Adjustment to Transfer in E905
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E600	Eliminate PCN CC8029 OHV Compliance Investigator II - BDR15A8101161
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E672	Suspends Longevity
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E710	Replacement Equipment - Chairs, Calculators, Fax Machine, Wireless Headsets
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E711	Replace Agency Owned Vehicles with Fleet Services Vehicles
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E715	Replacement Computers and Printers

	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E720	Active Shooter equipment, travel, and training (Costs shared with 4722 - 63%)
	Regulation of Auto Industry to Ensure Citizen Protection, Investigation of Fraudulent Activity related to DMV Documents and Processes	E905	Transfer annual support and upgrade Assurance Document Manager for the Disaster Recovery System from budget account 4746
4741	Indirect, customer service, Driver Record History, General Administration, Invocation of Sactions and Maintenance	E226	Transfer-in revenue from Records
	Customer Service, Indirect Cust Svs	E506	Adjustment to Transfer in E906
	Indirect, customer service, Driver Record History, General Administration, Invocation of Sactions and Maintenance	E672	Suspends Longevity
	Indirect, customer service, Driver Record History, General Administration, Invocation of Sactions and Maintenance	E710	Replacement Equipment - Chairs
	Indirect, customer service, Driver Record History, General Administration, Invocation of Sactions and Maintenance	E715	Replacement Computers and Printers
	Indirect Cust. Svs	E877	Supplemental Appropriation - Print on Demand
	Customer Service, Indirect Cust Svs	E906	Transfer annual support and upgrade Assurance Document Manager for the Disaster Recovery System from budget account 4746

4742	General Administration	E225	1 Management Analyst III Position
	General Administration	E227	Electronic Lien and Titling
	General Administration	E672	Suspends Longevity
	General Administration	E710	Replacement Equipment - Chairs, Fax Machines, Calculators, Wireless Headsets
	General Administration	E715	Replacement Computers and Printers
4744	General Administration	E226	Increase Advertising Budget
	Payroll/Personnel, General Administration	E229	Sharepoint Train the Trainer
	Payroll/Personnel	E230	Fingerprint fees for new positions requested in B/A 4735
	Payroll/Personnel	E250	3 Personnel Investigation Staff Positions
	Payroll/Personnel, General Administration	E672	Suspends Longevity
	Payroll/Personnel, General Administration	E710	Replacement Equipment - Fax Machines, Shredders, Projectors, Cameras, Chairs
	Payroll/Personnel, General Administration	E715	Replacement Computers and Printers
	General Administration	E877	Supplemental Appropriation - Salaries
	General Administration	E900	Transfer Auditor position to B/A 4745
	General Administration	E901	Transfer copy machine from B/A 4745
4745	General Administration	E225	Inventory control system to connect Las Vegas and Carson City warehouses
	Collection and Distribution of Taxes and Fees	E228	Electronic Payment Industry Training - NACHA
	General Administration	E229	Stand-by Pay for Facilities Position
	General Administration	E230	Statewide DMV Office signage replacement
	Payroll/Personnel, Fiscal, General Administration, Collection and Distribution of Taxes and Fees	E672	Suspends Longevity
	Payroll/Personnel, Fiscal, General Administration, Collection and Distribution of Taxes and Fees	E710	Replacement Equipment - Chairs
	General Administration	E712	Upgrade keycard access system at Carson City office (Costs shared with DPS - 23%)
	Payroll/Personnel, Fiscal, General Administration, Collection and Distribution of Taxes and Fees	E715	Replacement Computers and Printers
	Revenue Collection, Customer Service	E877	Supplemental Appropriations - Electronic payments and forms printing
	General Administration	E900	Transfer auditor position from B/A 4744
	General Administration	E901	Transfer copy machine to B/A 4745

DEPARTMENT OF MOTOR VEHICLES

Position/Salary Enhancement Summary by Budget Account

Governor Recommends (G01) FY16 & FY17

1/7/2015

B/A	Activity	Dec Unit	Description
4712	Customer Service	E225	Maintenance Repair Aid IV
4712	Customer Service	E805	Reclassification of Prison Industries Supervisor II to DMV Manager II
4715	Information Technology	E225	2 - ITT 5 positions for Networks
4715	Information Technology	E806	Administrator salary adjustment
4732	Administrative Hearings	E600	Eliminate DUI Adjudicator Position
4735	Customer Service	E225	75 Positions for 100% Staffing
4740	Regulation of Auto Industry, Investigation of Fraud	E600	Eliminate PCN CC8029 OHV Compliance Investigator II - BDR15A8101161
4740	Regulation of Auto Industry, Investigation of Fraud	E235	Add back PCN CC8029 OHV Compliance Investigator II and one-time costs associated with OHV - BDR15A8101161
4742	General Administration	E225	1 Management Analyst III Position
4744	General Administration	E250	3 Personnel Investigation Staff Positions
4744	General Administration	E900	Transfer Auditor position to B/A 4745
4745	General Administration	E900	Transfer auditor position from B/A 4744

System Modernization

The Department has submitted BDR 15A8101250. This System Modernization Bill would modernize the agency's aging information technology platform. System modernization will replace the current mainframe system with a new unified platform that will include an integrated financial system; correspondence management capability; customer relationship management functionality; business analytics; and a case management system.

The agency's ultimate goal is to deploy a secure and up-to-date technology platform that will be easy to configure and maintain and also provide the necessary automated tools to test, monitor, troubleshoot and manage the system in a real-time environment.

The Department of Motor Vehicles (DMV) continues to see a rise in services provided; processing approximately 8.4 million transactions and growing at 6% annually. With continuing biennial approval of legislative bills and Federal mandates, and the fast pace of technology changes, the Department finds itself at capacity to make all required changes and meet the growing demand of a technology savvy public. This becomes doubly important given the current climate regarding identity theft and the increasing credit card processing security requirements associated with this issue. The current use of disparate systems is creating an unstable environment in our database and lends itself to time consuming and unnecessary duplication of data which is becoming difficult to maintain. All of these issues contribute to lost opportunities for the Department and the State of Nevada as a whole.

The current solution which runs on disparate technologies, Mainframe and Windows, is hard to maintain, manage, extend and enhance. The skills required to maintain and extend are exhaustive, and the Department is unable to attract and retain talent. The backlog of IT projects, currently estimated to be 7± years, would continue to grow. Extending the current system to incorporate and integrate manual processes would be overwhelming, expensive and unmaintainable. The number of disparate systems currently being used would present their own challenges as far as integration and maintenance. We choose not to consider extending the current system as an alternative.

The Department is requesting funding to replace the existing and aging Common Business Oriented Language (COBOL) mainframe application and PowerBuilder applications running on disparate platforms with an integrated application that runs on a consolidated platform. For each disparate platform or device requiring a change, multiple separate system implementations by platform and device must be completed. The modernized system will reduce and consolidate implementations. The implementation would be platform or device independent.

The Department is looking to modernize the current system to provide for better customer service, reduce transaction processing time, increase speed-to-market of offered Department products, and reduce system backlog. In addition to the ability to provide better service to our customers, the integrated system would be comprised of an integrated finance system, inventory control system, correspondence management system, customer relationship management system (with call routing, integrated help, fillable online forms, chat support,), business analytics (including predictive analysis and forecasting, Key Performance Indicator [KPI] measurability, and Business Process Outsourcing [BPO]), and a case management system.

The final goal is to implement a modernized Information Technology (IT) platform that is easy to configure and maintain, and also provides the necessary automated tools to test, monitor, troubleshoot and, accurately manage in real-time. The modernized solution will provide enhanced security, disaster recovery, fail-over capability, and provide functionality that is easily enhanced to provide a better customer service experience.

The high-level project timeline includes two major components:

- 1) Awarding a vendor using the State's Request for Proposal (RFP) process will take approximately one (1) year; anticipated completion by June 2015.
- 2) Integrated system implementation of all Department functions, services, and offered products will take approximately five (5) years starting July 2015.

The existing vendor contracts, vendor, intergovernmental, and State Agency interfaces will not change. No external dependency, existing project, or external partner impacts are expected. System modernization will allow for the functionality of interfacing with State of Nevada agencies; however, no changes to the current interfaces are anticipated.

Based on the solution selected, Enterprise Information Technology Systems (EITS) may be impacted by the implementation of System Modernization. The impact can only be determined once the System Modernization vendor and implementation approach have been determined.

The Department did not consider building a solution using internal IT resources and consultants because of the magnitude and the complexity of the system. The challenge of succinctly building a system that manages a \$1.1 billion exposure is both cost and time prohibitive. The risks associated with such an endeavor are too high to consider and the lack of viable IT talent speaks to the overall need to seek vendor COTS solutions.

The NV DMV System Modernization project will benefit the entire population of the State. The following provides the benefits to Nevada constituents for paying the \$1 per transaction Technology Fee:

- With the implementation of System Modernization, the Department will be able to improve customer wait times when visiting offices by improving the transaction work-flow, provide for delivery of multiple transactions thru alternate services, and by providing an integrated system.
- The Department will be able to expand and provide additional DMV transactions available to the customer via the web portal and other alternate services.
- The customer will be able to initiate transactions by entering their own information at home; using fillable forms with a printed bar-code. The customer wait time will improve, since the bar-code will be scanned and the customer's information will be pre-populated; reducing data entry time.
- The customer wait time will be improved with the addition of Optical Character Reader (OCR) technology, that will read the customer's hand written pre-filled form; reducing data entry time.
- The customer will be able to submit their applications online and be accepted because of the electronic signature technology validation. They will not be required to mail the applications or come into the office for select transactions.

- The customer will receive improved customer service because of a centralized customer relationship management and a correspondence management system. When a customer contacts the DMV, the call wait times will be improved because the technician will have the majority of the customer's information/ correspondences readily available to assist and resolve customer issues.
- Motor Carrier customers will receive improved customer service by having tax filings, submittals, and response processing to be completed real-time, and by providing additional online services that will attract motor carrier customers to the State.
- The customer will be able to initiate a transaction in one location and complete the transaction in another field office, or alternate services such as the web/kiosk. The customer may not be required to come back into the office multiple times.
- The customers will be protected from fraudulent business practices by providing our compliance enforcement the tools for timely intervention.
- The citizens of the state will benefit from additional Federal fund and grants available to the State and Department, by the implementation of motor carrier and motor vehicle federal guidelines.
- The customers will benefit from participation in educational seminars. The seminars will help the customer become familiar with the statutory and regulatory requirements; reducing their non-compliance fees and fines.
- Customers that generate bad debt will be able to negotiate a payment plan.

The Department was allocated funds during the 2013th legislative session to implement various projects. The Technology Fee will reduce the Department's reliance on State funds to implement technical initiatives. The reduction of Highway fund appropriations will benefit the citizens of the State; as they may be allocated for other uses.