



# The Florida Senate

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Committee on Transportation

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## ENHANCING CUSTOMER SERVICES FOR PERSONS SEEKING DRIVERS' LICENSES AND IDENTIFICATION CARDS

### SUMMARY

The Department of Highway Safety and Motor Vehicles (DHSMV) and its agents issue approximately 6.3 million drivers' licenses and identification (ID) cards each year and maintain records on more than 19 million licensed drivers. The demand for these customer services will continue to increase due to population growth and the implementation of the REAL ID Act of 2005. Without enhancements, the increased demand will affect the effectiveness and efficiency with which customers are served.

state's entire population, few if any components of Florida government directly affect a larger percentage of the citizenry. Nationwide, only California and Texas have more licensed drivers. However, licensed drivers in these states represent only 62% and 57% of those states' populations respectively. The DDL is essentially the front door of state government to many Floridians.

The DDL's 1,613 employees provide customer services in 96 field offices throughout the state, as well as 11 mobile licensing units. The DDL is composed of ten bureaus. The largest are the five geographical Bureaus of Field Operations with 1040 employees throughout the 96 state driver's license issuing offices. Field Operations employees administer the required vision, knowledge, and driving skills examinations, and issue driver's licenses and ID cards. Other bureaus include:

### BACKGROUND

The DHSMV's mission: "Providing highway safety and security through excellence in service, education, and enforcement" embodies the primary purpose for licensing drivers. Licensing provides assurance drivers:

- Can read and understand road signs, traffic signals and highway markings;
- Know Florida driving rules;
- Can see well enough to drive safely;
- Have the necessary skills and experience to drive safely; and
- Are not afflicted by physical or mental conditions that might preclude the safe operation of a motor vehicle.

- Records (138 FTEs)
- Driver Education and DUI Programs (19 FTEs)
- Financial Responsibility (56 FTEs)
- Driver Improvement (64 FTEs)
- Administrative Reviews (134 FTEs)

To that end, ch. 322, F.S., prohibits persons from operating any motor vehicle on the highways of the state without having a valid driver's license.

In Florida, driver's licenses are issued by the Division of Driver Licenses (DDL) within DHSMV. Residents desiring official ID but who are unable or choose not to obtain a driver's license may obtain an official ID card from the DDL. With Florida's 15,670,000 licensed drivers and ID cardholders comprising over 86% of the

In addition to those employees directly responsible for driver's license services, DHSMV also has 123 FTEs in the Customer Service Center and the Appointment Call Center. According to DHSMV, nearly 85% of the calls handled by the call center are related to driver's licenses. The call center uses an Interactive Voice Response (IVR) system to handle approximately 55% of the customer service calls. The IVR is programmed to retrieve information from the customer's driver record and to provide specific information related to that record.

The department issues the following classes of licenses: Class A, B, C, and E. Classes A, B, and C are for drivers of commercial motor vehicles such as large

trucks and buses. Class E is for drivers of non-commercial vehicles.

Persons wishing to obtain a Florida driver's license must be properly tested. Prior to issuing a driver's license or identification card, examiners:

- review the customer's identification and residency documents;
- create or retrieve the driver's record;
- take a digital photograph of the applicant;
- complete the driver's license application, which includes real-time verification of the social security number and nationwide driver status checks;
- scan the identification and residency documents;
- collect the applicable fees and the customer's electronic signature; and
- print the driver's license or identification card.

The department also performs services relating to voting, selective service, organ donor registration, and data sharing for food stamps and college tuition programs.

### **Delivery Methods**

Most drivers (about 75%) receive their licenses at the point of service delivery immediately upon demonstration of meeting all of the requirements in an over-the-counter (OTC) transaction. Alternatively, customers requesting renewals, duplicates, or replacements by mail, phone or Internet, may have their licenses issued by the Central Issuance Processing System (CIPS). For these delivery methods, CIPS produces driver's license and identification cards using existing digital images from the Central Imaging System, at the DHSMV headquarters in Tallahassee. Licenses for foreign nationals may be initially processed in a field office but must be produced through CIPS due to the need for enhanced verification of certain credentials. Around the country, 24 states and the District of Columbia issue OTC driver's licenses exclusively. Driver's licenses in fifteen states are issued exclusively from a central location. Ten other states issue licenses similar to Florida, *i.e.*, in some combination of OTC and central issuance.

The Digimarc Corporation, a private, for-profit entity selected through a competitive bid process, operates the CIPS in Tallahassee. Digimarc also provides all equipment and consumables used to produce OTC

driver's licenses and identification cards in the issuance offices. The department pays Digimarc \$1.57 per card regardless of whether issued centrally or in a field office. In Fiscal Year 2005-2006, Digimarc received over \$9 million to provide these services.

Digimarc currently employs four operators to run CIPS, producing about 10,000 cards a day, five days a week. CIPS is housed in DHSMV facilities at no cost to Digimarc. Cards are printed on 45 to 50 printers running simultaneously. The cards are then processed through a mailer that prints the mailer insert, matches the mailer insert to the card and stuffs both into an envelope. Digimarc also provides 476 card printers for use by the driver's license issuance offices in OTC transactions. Most customers receive their new driver's licenses or identification cards within seven days of submitting their request.

The DDL examiners review the customer's identification and residency documents; create or retrieve the driver's record; take the photograph; complete the driver's license application, which includes real-time verification of the social security number and national driver status checks; scan the identification and residency documents, collect the applicable fees and the customer's electronic signature, then print the driver's license or identification card. The printing of each driver's license card adds 90 to 120 seconds to the total transaction time for the customer.

### **Costs of Licensing**

The fees associated with the various license and ID card services are established in statute and are uniform regardless of the delivery method, *i.e.*, the cost to the consumer is the same whether the transaction is OTC or centrally processed. The production and processing costs to DHSMV are virtually the same, as well. The statutory fees and the year they were established are as follows:

Service	Fee	Year
Original Florida License	\$20	1989
Class E Renewal	\$15	1989
Restricted Class E (learner's)	\$20	1989
Duplicate License	\$10	1990
Replacement	\$10	1990
Commercial (CDL)	\$50	1989
Endorsements	\$5	1989
Late Fee	\$1	1991

In Fiscal Year 2005-2006, these and associated fees generated \$138,275,368.

### County Tax Collectors

Since 1996, s. 322.135, F.S., has allowed county tax collectors to apply to DHSMV for the opportunity to provide driver's license services. Currently, 33 county tax collectors provide driver's license services at 81 locations throughout the state accounting for about 24% of all over-the-counter driver's license and ID card issuances. Services by county tax collectors generally include license/identification card renewals, replacements or duplicates; however, many tax collectors do not issue original or foreign national licenses because of the additional resources required for knowledge and skills testing and document validation. Uniformity with state procedures is maintained through state-provided training, quality assurance reviews, and published policies. Tax collectors are authorized to levy an additional service fee of \$5.25 for each license service.

### Commercial Driver's Licenses (CDL)

The requirements, examination, and credentialing of drivers of commercial vehicles (Class A, B, and C licenses) differs significantly from those of non-commercial drivers (Class E licenses). The commercial driver's license program is directed by the Federal Commercial Motor Vehicle Safety Act of 1986 and the corresponding Florida law, the Uniform Classified Commercial Driver's License Act, passed in 1989. The program requires a classified license system based upon drivers qualifying in the type vehicle they intend to drive. The 1989 legislation included a provision (s. 322.56, F.S.) allowing the skills portion of the required testing to be administered by third parties in accordance with federal regulations. Approximately 240 third-party private and governmental entities provide skills testing for commercial driver's licenses. Third party testing accounts for 95% of all CDL skills testing. Since third-party testing began in 1992, DHSMV has retested over 12,000 CDL holders whose test results were considered questionable because of improper or fraudulent testing practices. In 2006, investigations initiated by Driver License Compliance Officers have led to the arrest of four third-party testers and required retests for over 2,500 CDL holders, at a cost of approximately \$37,500 to DHSMV and significant costs to the applicants.

## METHODOLOGY

Committee staff reviewed and analyzed recent data collection efforts, performed a review of relevant

publications, conducted site visits to DHSMV facilities, and conducted personal interviews with DHSMV staff.

## FINDINGS

Popular culture has long linked the act of obtaining driver's license services with mediocre and rude customer service. There are numerous satirical depictions of long lines, and unenthusiastic or callous employees. Regardless of whether the experiences are depicted accurately, most adult Americans have some degree of understanding due to the proliferation of the driver's license in American culture.

### Customer Service in the Private Sector

Much has been written relating customer service as a tool for gaining competitive advantage or as a means of retaining customer loyalty.<sup>1</sup> For example, the technological advance of the Internet and eCommerce has allowed retail customers to shop from remote locations where merchandising and "brick and mortar" store layout have less impact on a consumer's decision of where to shop. With wholesale product pricing determined largely by volume, and product availability limited primarily by shipping costs, retailers know what sets them apart from others is their customer service. As such, it is not unusual for private sector organizations to invest considerable capital in providing exemplary customer service to bolster the loyalty of existing customers and gain new customers by turning them away from competitors.

Few corporations have invested more in customer service than the Disney companies. Disney's model of customer service is marked by:

- a high attention to detail
- an expectation that employees will exceed customer expectations
- an employee's "performance" is akin to being onstage: It's not how many widgets one produces; it's how satisfied the guest is with the performance.
- a guest-centered philosophy in which the guest may not always be right, but is allowed to be wrong with dignity.

Ongoing investment is accomplished by providing:

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<sup>1</sup> e.g., "Using Customer Insight to Build Competitive Advantage" Lane Michel, Peppers and Rogers Group, 2003

- proper training,
- communication on a regular basis, and
- individually rewarding and recognizing successes.

According to the Disney Institute, approximately 70 percent of Disney guests are repeat customers and employee turnover is less than 20 percent, which is low in the hospitality industry. The cultural change initiated at the University of Chicago Hospitals using Disney customer service concepts reduced employee turnover by a third.<sup>2</sup> For comparison, the DHSMV reports the employee turnover of licensing examiners is 19%, nearly 3 times more than the statewide career service employee turnover rate of 7%.

### Customer Service in the Public Sector

Unlike private-sector organizations whose primary goal is often to increase the customer base, growth is not typically a government agency's goal. To the contrary, an increase in population can be detrimental to a public-sector organization's ability to provide customer service. The primary goal of many public-sector organizations centers on meeting the most agency objectives at the lowest cost while delivering the best customer service.

Government agencies, typically lacking meaningful competitors, may well better consider the goal of customer service to be an opportunity to build trust between citizens and the government. Taken as a whole, citizens do care about efficiency and low costs. However, at the time of service delivery, individual customers may be less concerned with agency cost-savings measures or institutional objectives than with personal convenience or lack thereof.

A 2005 report<sup>3</sup> by the management consulting, technology services and outsourcing company, Accenture, identified four elements for effective customer service by public-sector organizations:

- a *Citizen-centered perspective* – all necessary information is organized around the customer with front-line agents having access to the information in order to tailor interactions with citizens.
- *Multiple/Connected delivery methods* – internet, telephone, and mail are

coordinated and produce equivalent results.

- *Fluidity between government services* – between levels and within levels of government.
- *Active outreach* – where information and educational opportunities are not simply available but are pushed to increase adoption of government services and strengthen citizens' ability to comply with what is expected of them.

According to Accenture's report, governments embracing these principles will deliver better outcomes more cost-effectively.

### Comparing Other Driver Licensing Experiences

A 2006 benchmarking analysis<sup>4</sup> conducted by CEM Benchmarking, Inc., compared the DHSMV to similar agencies in a peer group including:

- California
- Georgia
- North Carolina
- Ontario
- Oregon
- Virginia
- District of Columbia

Some key findings of the report include:

- Due to economies of scale and customers' high use of low-cost delivery methods, Florida's actual cost to license a driver is lower than most of the peer group.
- Florida's ratio of 69 licensing staff to each million license transactions is lower than the peer group's median of 85.
- The time Florida drivers waited for a meeting with a customer-service representative either in person or via telephone was less than the peer group's median.
- Florida had a significantly lower percentage of telephone callers reaching a knowledgeable person than the peer median. Satisfaction via self-service menu options was slightly below the peer group. The number of callers receiving a busy signal or being bounced back to main

<sup>2</sup> "University of Chicago Hospitals", Disney Institute Case Studies (<http://www.disneyinstitute.com/case.cfm>)

<sup>3</sup> "Leadership in Customer Service: New Expectations, New Experiences", Copyright 2005 Accenture.

<sup>4</sup> "Motor Vehicle Administration Benchmarking Analysis" July 2006, CEM Benchmarking, Inc.

service menu after navigating the automated attendant was higher than the peer group's median.

### New Jersey

Faced with an agency "incapable of effectuating basic customer service, securing its documents and meeting responsibilities imposed by the Legislature," in 2002 the State of New Jersey created the FIX DMV Commission to overhaul the agency responsible for issuing driver's licenses<sup>5</sup>. The commission identified a blueprint for the long term success of the organization which included three Strategic Directions for technology-based solutions:

- Improve Customer Service Through the Innovative Use of Information Technology to Reduce Transaction Costs and Turnaround Times.
- Improve Internal Processes, Practices, and Procedures to Simplify Interactions Between DMV and its Customers.
- Build a Flexible Architecture and Cost-Effective Technology Infrastructure that Enhances Employee Productivity.

To implement the overhaul, the commission recommended the creation of a \$150 million Technology and Security Capital Improvement fund, \$100 million of which was to be reserved for funding the technology program.

An October 2005 customer satisfaction survey<sup>6</sup> conducted by Rutgers University showed significant improvements compared to baseline measurements taken in 2003. For example, the median time individual customers reported waiting in line dropped by half, from 20 minutes to 10 minutes in 2005. The study also showed a high degree of general job satisfaction among employees with 84 percent agreeing or strongly agreeing with the statement, "I like my work." Subsequent surveys conducted by the New Jersey Motor Vehicle Commission (as it is now known) between July 2005 and January 2006 show overall customer satisfaction averaged a 3.7 on a four-point scale, where four is considered excellent. Customers rated wait time as 3.6.

### **Security, Safety, and Customer Service Expectations**

<sup>5</sup> "Fix DMV Commission (New Jersey), Final Report" November 7, 2002.

<sup>6</sup> [http://eagletonpoll.rutgers.edu/MVCPress\(10-05\).pdf](http://eagletonpoll.rutgers.edu/MVCPress(10-05).pdf)

With its mission to provide highway safety and security through excellence in service, education, and enforcement, an overall assessment of the DHSMV would better gauge overall agency performance not on customer satisfaction, but on the outcomes delivered and the cost effectiveness with which the agency achieves them. Where previously the DHSMV's mission of providing highway safety and security may have been considered together, recent domestic and international events lend credence to the idea highway safety and security are two distinct concepts. While the agency has moved to better protect and provide security, the changes have been largely invisible to most consumers. Further, because of the growing threat of identity theft and the large amount of inherently personal information being exchanged, applicants for driver's license services are required to place a high degree of trust in the agency and its employees with little perception of the added value of increased security (*e.g.*, embedded holographs and counter-counterfeiting).

However, the value added by DHSMV to public safety and security is both exceedingly difficult to measure and greatly influenced by circumstances beyond the agency's control (highway design, weather, identity theft, etc.) Furthermore, the benefits of licensure and security enhancements are not as readily perceivable to the public as their importance might merit. For example, a sizable measure of the DDL's contribution to providing highway safety is derived from the act of denying or removing the licensure of unsafe drivers – acts decidedly unfriendly to a considerable segment of the customer base and virtually invisible to the remainder.

Further to the point, although driving in this country is technically a privilege, it is for all intents and purposes perceived by many to be a right; a driver's license is considered to be a government requirement that must be endured with little perception of the benefit achieved. Thus, accurately gauging customer satisfaction is difficult since the act of obtaining a driver's license may not leave the recipient with the same sense of satisfaction customers anticipate when purchasing groceries, or a meal at a restaurant where a qualitative assessment of the product (and the service with which it is delivered) is possible.

Due to the subjective ambiguity of qualitative assessments of customer service and personal convenience, the quantitative measure of customer 'wait time' has become the most meaningful proxy for measuring customer service. In essence, wait time and

the ability to complete the entire transaction in one visit are the criteria by which an applicant is most likely to judge his or her experience.

### **Recent efforts by DHSMV**

Accordingly, in addition to enhancing the security of the driver licensing process and that of the product itself, DHSMV has in recent years sought to improve the way in which the product is delivered. Particular attention has been paid to wait times with the DDL implementing a number of process improvements over the last few years, which have contributed to its reduction.

A primary focus has been to accommodate customers who do not need to visit an office in person to complete their transactions. By remotely servicing persons needing express services, such as address changes, via the Internet, telephone, or mail, overall wait times in field offices is reduced. Self-service computer kiosks are being tested in various locations including the field offices to accommodate those persons lacking Internet and phone service. The DHSMV is also currently exploring the concept of opening satellite offices in retail locations such as Wal-Mart stores.

A significant number of applicants must visit a field office or tax collector's office in person due to the nature of the services required. Since September 2005, drivers have been encouraged to schedule an appointment for license services through the On-line Appointment Service Information System (OASIS) or by phone and to complete an on-line driver's license or identification card application prior to their office visit.

Other efforts to reduce customer wait times include:

- Special roving teams of driver's license examiners are temporarily assigned to offices with high customer volume or short-term staffing shortages to improve production and service.
- Office hours have been expanded from four to five days a week. Most offices across the state will open from 8<sup>am</sup> to 5<sup>pm</sup> Monday, Wednesday and Friday and 8<sup>am</sup> to 6<sup>pm</sup> on Tuesday and Thursday. Some heavily burdened offices will also open on Saturday from 8<sup>am</sup> to 1<sup>pm</sup>.
- Software-based queuing systems are being piloted in select locations. Among other streamlining improvements, the systems are able to match customers with

employees best able to meet their specific needs. For example, if an examiner has demonstrated a proclivity for efficiently processing foreign national transactions, the system attempts to route applicants needing such services through that employee.

To measure its progress, DHSMV polls its customers via internet surveys and comment cards in field office locations. From the quarter ending September 2005 to the quarter ending September 2007, the percentage of customers who waited more than 120 minutes for service in a state driver's license office decreased from 14 percent to 0.4 percent. The metric measuring the shortest wait period, *i.e.*, "Up to 15 Minutes" increased from 42 percent to 76.2 percent indicating a general reduction in wait times statewide.

Due to the wide variations in population densities, the number of drivers being serviced can vary dramatically between the state's geographic regions. For example, the field offices in Palm Beach, Broward, and Miami-Dade Counties handle more licensing transactions than the rest of the state combined. None of the three counties' tax collectors provides driver's license services and these counties typically show the longest wait times. However, from the quarter ending September 2005 to the quarter ending September 2006, the number of customers in this region waiting more than 120 minutes times decreased from 17% to 2% and the shortest measured period ("Up to 15 Minutes") increased from 38% to 70% also indicating customers are experiencing significantly shorter wait times as a result of various service improvements.

Over 2 million appointments are scheduled through OASIS each year, only 22% of which are scheduled by phone or in-person; 78% are scheduled directly by customers on-line. Using the IVR and live customer service representatives, the call centers handle more than 3,400 customer service calls daily.

### **Potential Improvements and Challenges**

Generally, there are three ways to enhance customer service for persons seeking driver's licenses and ID card services; improvements could be realized through increased use of technology, adjustment of business functions, and by increasing the number of service providers.

*Optimize the use of technology and remote service delivery.*--Like many organizations in both the private and public sectors, DHSMV is turning to technology-

based solutions to reduce costs while simultaneously improving service quality. By allowing applicants remote access to individualized services (*e.g.*, address changes, license renewals) technology-based solutions reduce wait times for those seeking services which cannot be automated or delivered remotely. Transaction time in the field offices could also be expedited with technology upgrades. However, new technologies are often beset with their own challenges which will require the revision or adaptation of current practices and procedures.

The cost of innovative technology is high and continues to rise. The annual cost of issuance equipment, including computers, cameras, scanners, signature pads, bar code readers, receipt printers, and card printers, is an estimated \$10 million statewide. The equipment is currently leased from the private vendor Digimarc who is compensated at the rate of \$1.57 per driver's license or identification card issued. To add one camera station (two workstations, two signature pads, one scanner, one receipt printer and one camera) to an existing driver's license office costs \$12,041. An average of 43 transactions are completed each day at any given workstation. The DHSMV field offices have 792 workstations specifically designated for driver's license issuance.

*Adjust business practices.*—As technology changes, so must the organization's business practices. For example, the department has proposed to outsource driver's license and ID card production by renegotiating or soliciting a new contract for the production of cards solely through central issuance (CIPS). Applicants would complete all testing and/or credentialing in a field office with the understanding the license or ID card will be mailed within a few days from the central processing facility. According to DHSMV, centralizing driver's license and ID card printing and verification of ID and legal presence documentation would:

- reduce transaction and wait times and increase employee productivity in the field offices;
- improve security by reducing opportunities for fraud;
- allow the incorporation of higher facial recognition techniques to increase accuracy and security and
- better align DHSMV for compliance with the upcoming federal REAL ID Act.

Adjustments to business practices may also require changes in customer beliefs, concerns, and values. Central issuance of license and ID cards may be contrary to citizens' expectations since Florida drivers have become accustomed to leaving the field office holding their new license.

Another potential revision to traditional processes involves payment methods. Although credit and debit cards have become mainstream payment methods, credit cards are not currently accepted for payment in DHSMV field offices. This is because for each credit card transaction, the credit card companies levy a fee based on a small percentage of the product cost. Typically, a vendor passes the transaction fee on to the consumer through higher prices. Due to their establishment in statute, DHSMV cannot unilaterally increase the driver's license fees to compensate for the transaction costs, nor does DHSMV have spending authority to pay the additional charges if they were collected. (On-line and telephone-based charges are not affected since the DDL outsources their collection through a third party.) Some credit card companies allow vendors to charge transaction fees on top of the product price in a manner apparent to the customer. However, VISA, which accounts for more transactions than all other credit cards combined, does not.

*Increase service providers.*

The most apparent solution to reducing customer wait times is to increase the number of service providers available to customers. This can be accomplished by providing for additional DHSMV employees or through outsourcing to either other public sector or private entities. Research conducted by the Office of Program Policy Analysis and Government Accountability (OPPAGA) indicates increased outsourcing to tax collectors is feasible but challenged by funding concerns. Likewise, the report indicates outsourcing of driver's license services to private entities is feasible but could increase the state's and its citizens' exposure to identity theft and fraud.

As experienced, trusted agents of the state and, in most cases, elected constitutional officers accountable to the state and their citizens, and due to the availability of existing infrastructure, tax collector's present the most viable option for expanding face-to-face customer services for driver's licenses and ID cards. Besides the increase in the number of driver's license service providers, consumers further benefit from the grouping with other services such as vehicle title and registration services in a one-stop shop. Statutory authority currently exists to give all tax collectors the opportunity

to provide driver's license services. However, about half of the counties' tax collectors do not currently offer any and many offer only a limited number of services. There are at least two possible reasons for this – the fiscal impact and the complexity of the driver's license process. As stated previously, Florida law authorizes tax collectors to levy an additional service fee of \$5.25 for each license service. A 2001 study by the Cost Determination and Allocation Task Force found, and OPPAGA has confirmed, this fee is insufficient to cover the actual cost of providing most driver's license services. Thus, tax collectors choosing to provide all services must, in effect, pay for that opportunity. The complexity of providing some driver licensing services such as driver skills examinations is also a disincentive. Services for foreign nationals also require a complex process of establishing legal presence and document verification that is both costly and, in recent years, subject to numerous revisions. As a result, many tax collectors pick and choose which driver's license services to provide, based on their costs and the complexity of the requirements.

While increasing the number of service providers through private contractors could reduce overall wait time, it would likely require a high level of government oversight to ensure compliance with state and federal law. As related above and in the OPPAGA research, previous attempts at privatizing certain driver licensing services such as skills testing have had unfavorable results due to fraud. Further, the protection of drivers' private information would require monitoring of security practices which would be out of the direct control of the state.

#### **New Federal Requirements - REAL ID**

The REAL ID Act of 2005 creates standards, procedures, and requirements for states when issuing driver's licenses and ID cards. While compliance by each state is voluntary, after May 11, 2013, persons using identification not in compliance with the act will not be allowed to board commercial aircraft, enter a federal building, or access other facilities as determined by the Department of Homeland Security. Residents of states not issuing compliant driver's licenses and ID cards must rely on other federally approved ID such as a passport.

States electing to issue compliant driver's licenses and ID cards must begin doing so by May 11, 2008. Although Florida's current driver's licenses and identification cards meet many of the anticipated REAL ID requirements, the federal regulations as currently drafted, will require all current Florida drivers

to apply in person for relicensing by May 11, 2013. This would likely overwhelm the current capacity of the licensing system without changes to current processes and facilities.

Additionally, REAL ID's enhanced security requirements which include anti-tampering features and annual security inspections of processing and issuance locations will raise licensing costs although some relief would be realized if issuance of licenses and ID cards were centralized.

### **RECOMMENDATIONS**

In order to better identify where additional efforts are needed to reduce customer wait time and employee turnover, the Legislature should consider requiring DHSMV to annually report wait time data for each state driver's license issuing office.

The Legislature should consider making statutory changes to limit the processing and issuance of driver's licenses and ID cards to a secure central facility.

The Legislature should consider enhancing the potential for increased high-tech service delivery methods, including granting spending authority to expand the use of credit cards, providing budget for more active marketing of remote delivery services to make consumers aware of the time-saving opportunities, and making statutory changes to facilitate the installation of additional remote service outlets in retail and institutional locations for testing and other services which cannot be centralized.

Due to the higher costs of issuing REAL ID compliant licenses, the Legislature should consider studying potential fee increases for most driver licensing and ID services. Additionally, the Legislature should consider providing additional incentives to increase the number of service providers available to the public. Such incentives could be permitting an increase in the current \$5.25 transaction fee (not to exceed a designated amount).