



# *Virginia* **DMV**

## Senate Finance Transportation Subcommittee

Richard D. Holcomb  
DMV Commissioner  
January 15, 2014

# Revenue

- Collected \$2.2 billion in revenue in FY13; projected \$2.4 billion in FY14
  - Majority transferred to VDOT to fund construction and maintenance.
  - Primary sources include fuels tax, motor vehicle sales tax, and vehicle registration and titling fees.
- HB 2313 the largest change in transportation finance since 1986. DMV implemented:
  - New statewide fuels tax
  - Regional fuels tax
  - Changes to the motor vehicle sales tax rates
  - Changes to the electric fee to include the addition of hybrids

# DMV Budget

- \$213.1 million (NGF) in FY13 expenditures
- DMV must generate its own revenue and cover ongoing expenses including rate increases (VRS, healthcare, compensation) from its Special Fund.
- DMV retains less than 10% of what it collects to fund operations.

# Upcoming Biennium

- Introduced Budget
  - New facility in northern Virginia to handle service demands
  - Appropriation provided for various rate changes
    - VITA
    - Compensation and Fringe Benefits
    - Cardinal Accounting System
  - Sandston Weigh Station Project (I-64 mm 203)
- Other
  - Williamsburg CSC replacement

# Trends – FY13 Results

- Average price of a new car is \$29,604, up 16.9% since 2006.
- Average price of a used car is \$7,701, up 13.4% since 2006.
- Total fuels tax collections are down 5.2% since 2006.
- Motor vehicle sales tax collections are up 42.6% since 2009, but still below the peak in 2005.

# Trends – Outlook

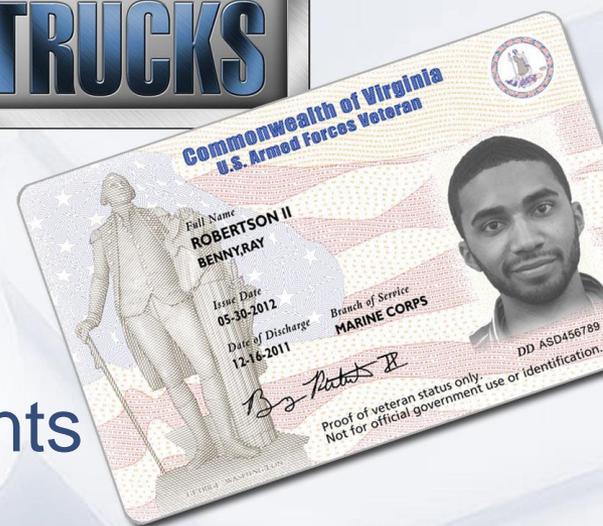
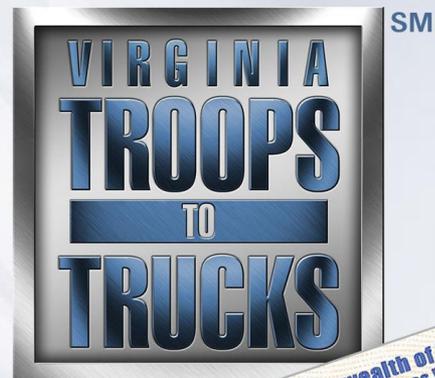
- Fuel consumption is projected to be relatively flat to down over the coming years.
- Motor vehicle sales are expected to continue moderate growth (approx. 3.5%) over the next two years.
- Since 1995, there has been a 47% decline in the number of licensed 16 year old drivers, a trend that is expected to continue.

# Key Cost Saving Initiatives

- Migration of customers to online transactions
- Over 1.7 million customers have opted to receive renewal notices by email, text or phone instead of by mail
- Over 2.3 million personal identification numbers (PIN) for DMV customer accounts issued electronically instead of by mail
- Installed debit/credit card machines and encourage customers to pay with their debit cards which reduces DMV processing costs

# Services

- *DMV 2 Go*
- DMV Connect
- Military and Veteran Support
  - Veterans ID card
  - Military base CSCs
  - Troops to Trucks<sup>SM</sup>
- Electronic Verification of Vital Events
- Vital records (March 2014)
- SecuriTest



# Services

- Identity Theft Passports applications
- Amber and senior alerts
- E-Z Pass service
- DGIF service
- Virginia 4-1-1 service



## Potential Future Services

- Court fees (SB 475, Senator Newman)
- Emergency notification (SB 367, Senator McEachin)

# Study Updates

## Mature Driver Study

- Recommendations (SB 180, Senator McWaters)
  - Reduce age from 80 to 75 for in person renewals
  - Lower allowable validity period from 8 to 5 years
  - Mature Driver Accident Prevention Course

## Non-Conventional Vehicles Study

- Autocycles (SB 383, Senator Reeves)
  - Resolves issues regarding vehicle classification
- Autonomous Vehicles
  - Working with stakeholders to address challenges

# Contact Info

Richard D. Holcomb, Commissioner  
richard.holcomb@dmv.virginia.gov  
804-367-6606