

Washington State  
Department of Licensing

# 2017 Supplemental Budget Submittal

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STATE OF WASHINGTON  
DEPARTMENT OF LICENSING  
PO Box 9020 Olympia, Washington 98507-9020

October 21, 2016

Mr. David Schumacher, Director  
Office of Financial Management  
PO Box 43113  
Olympia, WA 98504-3113

Dear Mr. Schumacher:

Enclosed is the Department of Licensing's (DOL) proposed 2017 supplemental budget request for your review. Our proposed budget is based on Governor Inslee's goals for Healthy and Safe Communities, a Prosperous Economy, and Efficient, Effective, and Accountable Government.

The department seeks funding and/or spending authority to cover the increased cost of doing business including credit card cost increases related to online transactions, licensing card production, and postage and printing. DOL is experiencing increased business costs as a result of population growth. DOL's Washington State Drivers Report noted that driver in-migration (population moving to Washington from other states) was up 10.2 percent over the previous year, while the 2016 report indicated continued in-migration of 10 percent over the 2015 report.

This budget proposal funds our ongoing commitment to work towards a better, safer future for the state of Washington as we continue to implement smarter business strategies, enhance public safety, focus technology and facility investments to meet customer expectations, and deliver the best value to the people of Washington State. If you or your staff have any questions please contact me at (360) 902-3603 or Diamtris Winston, our Chief Budget and Forecasting Officer at (360) 902-3644.

Sincerely,

Pat Kohler  
Director

PK:dw  
Enclosure

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## Table of Contents

DOL Budget Request Cover Letter	
Table of Contents	1
Electronic Submittal Form	3
<b>Budget Development Systems Reports</b>	
Incremental Estimates for the Biennial Budget	5
Recommendation Summary	7
Decision Package Summary by Fiscal Year	9
<b>Maintenance Level Decision Packages</b>	
M1 Supplemental Credit Card Transaction Fees	11
M2 Driver's License Production (2nd supplemental)	19
ML2-8P Postage Rate Adjustments	27

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## ELECTRONIC SUBMITTAL CONFIRMATION FORM

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**Agency Number:** 240

**Agency Name:** Department of Licensing

Agencies are required to provide electronic access to each decision package in their budget request as part of the submittal process. Confirm Option 1 or 2 below:

Option 1:

- This agency posts all decision packages for our 2017-19 budget request to our public facing website at the following URL:

URL: <http://www.dol.wa.gov/about/budgetnews.html>

Option 2:

- This agency does not post decision packages and has forwarded copies via e-mail to [OFM.Budget@ofm.wa.gov](mailto:OFM.Budget@ofm.wa.gov).

These decision packages conform to our agency's ADA accessibility compliance standards.

Agency Contact: Diamatris Winston

Contact Phone: 360-902-3644

Contact E-mail: DWinston@dol.wa.gov

Date: October 21, 2016

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State of Washington  
**Agency Performance Measure  
Incremental Estimates for the Biennial Budget**

**Agency: 240 Department of Licensing Budget Period: 2015-17**

**Activity: A001 Providing Strategic Direction through Executive and Technology Administration**

M1 M1 Credit Card Transaction Fees No measures linked to decision package

**Activity: A008 Licensing Citizens to Operate Motor Vehicles**

M1 M2 Driver's License Production No measures linked to decision package

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**Recommendation Summary**

**Agency: 240 Department of Licensing**

7:35:10PM

10/12/2016

Dollars in Thousands

	<b>FY2 FTEs</b>	<b>General Fund State</b>	<b>Other Funds</b>	<b>Total Funds</b>
<b>2015-17 Current Biennium Total</b>				
<b>Total Carry Forward Level</b>				
Percent Change from Current Biennium				
M1 M1 Credit Card Transaction Fees			1,285	1,285
M1 M2 Driver's License Production			1,004	1,004
<b>Carry Forward plus Workload Changes</b>			<b>2,289</b>	<b>2,289</b>
Percent Change from Current Biennium				
M2 8P Postage Rate Adjustments			1,159	1,159
<b>Total Maintenance Level</b>			<b>3,448</b>	<b>3,448</b>
Percent Change from Current Biennium				
<b>Subtotal - Performance Level Changes</b>	<b>0.0</b>			
<b>2015-17 Total Proposed Budget</b>			<b>3,448</b>	<b>3,448</b>
Percent Change from Current Biennium				

**M1 M1 Credit Card Transaction Fees**

The Department of Licensing requests funds to pay increased credit card costs resulting from online licensing transactions for driver, vehicle, business and profession licenses, and uniform commercial code transactions. (Multiple funds)

**M1 M2 Driver's License Production**

The Department of Licensing requests funding to support increased driver's license production costs. (Highway Safety Account-State)

**M2 8P Postage Rate Adjustments**

Department of Licensing requests funds for postage and printing costs due to increased volume of title, registration and disability renewal notifications. (Motor Vehicle Account - State).

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**Fund and FTE Detail by Fiscal Year**

<b>Budget Period:</b> 2015-17	<u>Element</u>	<u>Selection</u>	<u>Grp</u>	<u>Element</u>	<u>Selection</u>	<u>Grp</u>	<u>Element</u>	<u>Selection</u>	<u>Grp</u>
<b>Agency:</b> Department of Licensing	Agy-Activity:	(None)		Division:	(ALL)		Project:	(ALL)	
<b>Version:</b> S2	Program:	(ALL)		Branch:	(ALL)		Sub-Project:	(ALL)	
<b>Budget Level:</b> (ALL)	Sub-Program:	(ALL)		Section:	(ALL)		Phase:	(ALL)	
<b>Sorted by:</b> Decision Package Code	Activity:	(ALL)		Unit:	(ALL)		Budget Unit:	(ALL)	
<b>Show Locked Only:</b> No	Sub-Activity:	(ALL)		Cost Center:	(ALL)				
<b>Include RecSum Text:</b> Yes	Task:	(ALL)							

		Fiscal Year 1 FTEs	Fiscal Year 2 FTEs	Annual Average FTEs	Fiscal Year 1 Funds	Fiscal Year 2 Funds	Total Funds	Percent Share of Recsum
<b>M1</b>	<b>Credit Card Transaction Fees</b>					<b>1,285,000</b>	<b>1,285,000</b>	
003-1	Architects' License-State					2,000	2,000	0.09%
024-1	Profess Engineers'-State					7,000	7,000	0.31%
026-1	Real Estate Cmsn-State					6,000	6,000	0.26%
04E-1	Uniform Comm Code-State					3,000	3,000	0.13%
06G-1	Real Est App C Acct-State					2,000	2,000	0.09%
06L-1	Business Professions-State					14,000	14,000	0.61%
106-1	Highway Safety Acct-State					353,000	353,000	15.42%
108-1	Motor Vehicle Acct-State					581,000	581,000	25.38%
108-7	Motor Vehicle Acct-Private/Local					315,000	315,000	13.76%
298-6	Geologists' Account-Non-Appropriated					2,000	2,000	0.09%
<b>M2</b>	<b>Driver's License Production</b>					<b>1,004,000</b>	<b>1,004,000</b>	
106-1	Highway Safety Acct-State					1,004,000	1,004,000	43.86%
<b>Carry Forward Plus Workload Changes</b>						<b>2,289,000</b>	<b>2,289,000</b>	
% Change from Current Biennium								
<b>Carry Forward Plus Workload Changes Fund Totals</b>								
003-1	Architects' License-State					2,000	2,000	0.09%
024-1	Profess Engineers'-State					7,000	7,000	0.31%
026-1	Real Estate Cmsn-State					6,000	6,000	0.26%
04E-1	Uniform Comm Code-State					3,000	3,000	0.13%
06G-1	Real Est App C Acct-State					2,000	2,000	0.09%
06L-1	Business Professions-State					14,000	14,000	0.61%
106-1	Highway Safety Acct-State					1,357,000	1,357,000	59.28%
108-1	Motor Vehicle Acct-State					581,000	581,000	25.38%
108-7	Motor Vehicle Acct-Private/Local					315,000	315,000	13.76%
298-6	Geologists' Account-Non-Appropriated					2,000	2,000	0.09%
<b>8P</b>	<b>Postage Rate Adjustments</b>					<b>1,159,000</b>	<b>1,159,000</b>	
108-1	Motor Vehicle Acct-State					1,159,000	1,159,000	100.00%

6

**Fund and FTE Detail by Fiscal Year**

	<b>Fiscal Year 1 FTEs</b>	<b>Fiscal Year 2 FTEs</b>	<b>Annual Average FTEs</b>	<b>Fiscal Year 1 Funds</b>	<b>Fiscal Year 2 Funds</b>	<b>Total Funds</b>	<b>Percent Share of Recsum</b>
<b>Total Maintenance Level</b>					<b>3,448,000</b>	<b>3,448,000</b>	
% Change from Current Biennium							
<b>Total Maintenance Level Fund Totals</b>							
003-1	Architects' License-State				2,000	2,000	0.06%
024-1	Profess Engineers'-State				7,000	7,000	0.20%
026-1	Real Estate Cmsn-State				6,000	6,000	0.17%
04E-1	Uniform Comm Code-State				3,000	3,000	0.09%
06G-1	Real Est App C Acct-State				2,000	2,000	0.06%
06L-1	Business Professions-State				14,000	14,000	0.41%
106-1	Highway Safety Acct-State				1,357,000	1,357,000	39.36%
108-1	Motor Vehicle Acct-State				1,740,000	1,740,000	50.46%
108-7	Motor Vehicle Acct-Private/Local				315,000	315,000	9.14%
298-6	Geologists' Account-Non-Appropriated				2,000	2,000	0.06%

10

**Recommendation Summary Text**

**Pkg Pgm: Agency Level Program: Decision Package: M1-M1**

The Department of Licensing requests funds to pay increased credit card costs resulting from online licensing transactions for driver, vehicle, business and profession licenses, and uniform commercial code transactions. (Multiple funds)

**Pkg Pgm: Agency Level Program: Decision Package: M1-M2**

The Department of Licensing requests funding to support increased driver's license production costs. (Highway Safety Account-State)

**Pkg Pgm: Agency Level Program: Decision Package: M2-8P**

Department of Licensing requests funds for postage and printing costs due to increased volume of title, registration and disability renewal notifications. (Motor Vehicle Account - State).

## 2015-17 Biennium Budget Decision Package

**Agency:** 240 Department of Licensing

**Decision Package Code/Title:** M1-Supplemental Credit Card Transaction Fees

**Budget Period:** 2015-2017

**Budget Level:** Maintenance Level

**Agency Recommendation Summary Text:**

The Department of Licensing requests funds to pay increased credit card costs resulting from online licensing transactions for driver, vehicle, business and profession licenses, and uniform commercial code transactions. (Multiple funds)

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2016	FY 2017	FY 2018	FY 2019
Fund 003-1	1,000	1,000	1,000	1,000
Fund 024-1	3,000	4,000	5,000	6,000
Fund 026-1	3,000	3,000	4,000	5,000
Fund 04E-1	2,000	1,000	1,000	1,000
Fund 06G-1	1,000	1,000	0	1,000
Fund 06L-1	7,000	7,000	10,000	11,000
Fund 106-1	183,000	170,000	233,000	215,000
Fund 108-1	440,000	141,000	803,000	937,000
Fund 108-7	137,000	178,000	227,000	277,000
Fund 298-6	1,000	1,000	1,000	1,000
<b>Total Cost</b>	<b>778,000</b>	<b>507,000</b>	<b>1,285,000</b>	<b>1,455,000</b>
Staffing				
FTEs	0.0	0.0	0.0	0.0
<b>Revenue</b>				
N/A	0.0	0.0	0.0	0.0
<b>Object of Expenditure</b>				
Obj. E	<b>778,000</b>	<b>507,000</b>	<b>1,285,000</b>	<b>1,455,000</b>

## Package Description:

### Summary

This package requests \$1,285,000 for the 2015-17 biennium and on-going to cover higher credit card transaction fees resulting from increased online transaction volumes and increased experienced credit card fee rate. Online transactions continue to increase as the customer base increases and more services are available online.

Credit card companies charge DOL an average rate of 2.25 percent of the customer payment amount. At current funding levels, DOL is unable to pay for rising credit card fees incurred when more customers conduct online licensing transactions using credit cards. The type of licensing transactions include driver, vehicle, business and profession licenses, and uniform commercial code.

### Background

DOL offers its customers the ability to conduct online transactions for their convenience. This also helps maintain reasonable wait time at Licensing Service Offices (LSO) and sub-agents.

The composite credit card rate increased by 0.05 percent from the previous budget calculations. Prior rate was 2.2 percent and current experienced rate is 2.25 percent. Each credit card company charges their own rate and DOL has no control over which credit cards customers use to pay for their transactions.

DOL collects Regional Transit Authority (RTA) taxes on behalf of Sound Transit, which consists of King, Pierce, or Snohomish counties, to pay for their local transit-related projects. The RTA reimburses the state for the actual costs of administering this program, including related credit card costs for online renewals. In order to spend the money the state receives from RTA, DOL needs appropriation authority from the legislature. Due to the increase in both online renewals and the number of registered vehicles, credit card costs have increased over DOL's appropriation level for the 2015-17 biennium. An appropriation increase is requested to ensure DOL has sufficient spending authority related to RTA credit card costs.

DOL collects state mandated licensing fees from business and professions defined by applicable laws. DOL also collects fees for uniform commercial code inquiries and requests. The vast majority of these transactions are done online. Due to increase in online renewals for applicable professions and licensees, credit card costs have increased.

Over the past two years, Washington's population increase has been noted by the state. A June 25, 2015 press release titled "Washington's population tops 7 million" issued by the Office of Financial Management (OFM) notes a 1.34 percent increase in 2015 and a 1.25 percent increase in 2014.

Source: <http://www.ofm.wa.gov/news/release/2015/150625.asp>

Also per the Detailed Forecast Tables published on June 21, 2016 by the OFM vehicle registrations grew 2.1 percent in 2014 and 3.5 percent in 2015. There is expected growth from fiscal year 2016 thru 2027 of 1.5 percent per year. Source: <http://www.ofm.wa.gov/budget/info/June16transpovol2.pdf>

DOL's Washington State Drivers Report further supports this trend. The 2015 report noted that driver in-migration (population moving to Washington from other states) was up 10.2 percent over

the previous year, while the 2016 report indicated continued in-migration of 10 percent over the 2015 report.

**Base Budget:** If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

Fund	Activity	FY 2016	FY 2017	FY 2018	FY 2019
003-1	A033	3,000	3,000	3,000	3,000
024-1	A033	20,000	20,000	20,000	20,000
026-1	A033	18,000	18,000	18,000	18,000
04E-1	A035	8,000	8,000	8,000	8,000
06G-1	A033	2,000	2,000	2,000	2,000
06L-1	A033	38,000	39,000	38,000	39,000
106-1	A031	338,000	359,000	338,000	359,000
108-1	A031	1,825,000	2,900,000	2,362,000	2,363,000
108-7	A031	562,000	562,000	562,000	562,000
298-1	A033	2,000	2,000	2,000	2,000
<b>Total</b>		<b>2,816,000</b>	<b>3,913,000</b>	<b>3,353,000</b>	<b>3,376,000</b>

A008 – Licensing Citizens to Operate Motor Vehicles

A016 – Administration of Fuel Tax Collection and Motor Carrier Services

A017 – Professions Licensing and Regulation

A018 – Uniform Commercial Code Program

A021 – Administration of Vehicle and Vessel Title and Registration Services

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:**

Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

**Drivers and Vehicles**

Twenty-eight percent of driver transactions and 31 percent of vehicle transactions were completed online and therefore incurred the credit card fees in 2015. That volume was used to project future expenses below.

Driver Credit Cards	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	106	ED0	521,000	529,000	1,050,000	571,000	574,000	1,145,000
Current Expenditures	2.25%	106	ED0	338,000	359,000	697,000	338,000	359,000	697,000
<b>Total</b>				<b>183,000</b>	<b>170,000</b>	<b>353,000</b>	<b>233,000</b>	<b>215,000</b>	<b>448,000</b>

Vehicle Credit Cards	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	108	EE0	2,265,000	3,041,000	5,306,000	3,165,000	3,300,000	6,465,000
Current Expenditures	2.25%	108	EE0	1,825,000	2,900,000	4,725,000	2,362,000	2,363,000	4,725,000
<b>Total</b>				<b>440,000</b>	<b>141,000</b>	<b>581,000</b>	<b>803,000</b>	<b>937,000</b>	<b>1,740,000</b>

**Regional Transit Authority**

Increased credit card costs were forecasted using actual internet payment data which is compiled in the Vehicle and Vessel Fee Distribution Report. Higher credit card costs are attributed to higher

vehicle volumes, and increased use of the internet to complete vehicle registration transactions. Historical data is available through the following link.

<https://fortress.wa.gov/dol/vsd/vsdFeeDistribution/ReportList.aspx>

DOL has calculated an average rate of credit card fees of 2.25 percent for online transactions.

RTA Credit Card Costs	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	108	5L0	699,000	740,000	1,439,000	789,000	839,000	1,628,000
Current Expenditures	2.25%	108	5L0	562,000	562,000	1,124,000	562,000	562,000	1,124,000
<b>Total</b>				<b>137,000</b>	<b>178,000</b>	<b>315,000</b>	<b>227,000</b>	<b>277,000</b>	<b>504,000</b>

### Business and Professions

Forty percent of the professional license were renewals and 82 percent of the UCC filings were paid for online in 2015 using credit cards. That volume was used to project future expenses below.

Architects	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	003	1B0	4,000	4,000	8,000	4,000	4,000	8,000
Current Expenditures	2.25%	003	1B0	3,000	3,000	6,000	3,000	3,000	6,000
<b>Total</b>				<b>1,000</b>	<b>1,000</b>	<b>2,000</b>	<b>1,000</b>	<b>1,000</b>	<b>2,000</b>

Engineers	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	024	1E0	23,000	24,000	47,000	25,000	26,000	51,000
Current Expenditures	2.25%	024	1E0	20,000	20,000	40,000	20,000	20,000	40,000
<b>Total</b>				<b>3,000</b>	<b>4,000</b>	<b>7,000</b>	<b>5,000</b>	<b>6,000</b>	<b>11,000</b>

Real Estate Commission	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	026	1F0	21,000	21,000	42,000	22,000	23,000	45,000
Current Expenditures	2.25%	026	1F0	18,000	18,000	36,000	18,000	18,000	36,000
<b>Total</b>				<b>3,000</b>	<b>3,000</b>	<b>6,000</b>	<b>4,000</b>	<b>5,000</b>	<b>9,000</b>

Uniform Commercial Code	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	04E	1H0	10,000	9,000	19,000	9,000	9,000	18,000
Current Expenditures	2.25%	04E	1H0	8,000	8,000	16,000	8,000	8,000	16,000
<b>Total</b>				<b>2,000</b>	<b>1,000</b>	<b>3,000</b>	<b>1,000</b>	<b>1,000</b>	<b>2,000</b>

Real Estate Appraisers	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	06G	1R0	3,000	3,000	6,000	2,000	3,000	5,000
Current Expenditures	2.25%	06G	1R0	2,000	2,000	4,000	2,000	2,000	4,000
<b>Total</b>				<b>1,000</b>	<b>1,000</b>	<b>2,000</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>

Multiple Professions	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	06L	CN0	45,000	46,000	91,000	48,000	50,000	98,000
Current Expenditures	2.25%	06L	CN0	38,000	39,000	77,000	38,000	39,000	77,000
<b>Total</b>				<b>7,000</b>	<b>7,000</b>	<b>14,000</b>	<b>10,000</b>	<b>11,000</b>	<b>21,000</b>

Geologists (Nonappropriated)	%	Fund	AI	FY 2016	FY 2017	2015-17 Total	FY 2018	FY 2019	2017-19 Total
Future Transaction Fee Costs	2.25%	298	963	3,000	3,000	6,000	3,000	3,000	6,000
Current Expenditures	2.25%	298	963	2,000	2,000	4,000	2,000	2,000	4,000
<b>Total</b>				<b>1,000</b>	<b>1,000</b>	<b>2,000</b>	<b>1,000</b>	<b>1,000</b>	<b>2,000</b>

### Decision Package Justification and Impacts

Increasing the number of transactions completed online remains one of DOL's key strategies for customer satisfaction and efficient and effective service delivery. As online transactions increase,

DOL costs to provide this service also increases. Without funding for these credit card costs, DOL cannot sustain the level of service which is valued by customers and is an integral part of DOL's business efficiency model.

On-going costs are captured in the 2017-19 package for this funding need.

**What specific performance outcomes does the agency expect?**

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

If funding is provided, DOL expects:

- To continue offering all the online services now available without financial impact to our customers.
- Customer satisfaction with online services would remain high, ranging from 88 to 92 percent as shown by our monthly analysis of customer feedback from our online survey.
- 28 percent of driver transactions and 31 percent of vehicle transactions would continue to be completed online (based on 2015 actuals).
- Significant increase in professions' online transactions (based on technology advances in 2016 and 2017 which provide more online service options to professions).

If funding is not received and we have to limit online services, we would expect:

- Significant customer complaints.
- Increased customer traffic to driver, vehicle and professional licensing offices.
- Increased wait times in field offices.

These outcomes would be counter to DOL's commitment to great service. If funding is not received and DOL cuts other services to pay for unfunded credit card fees, DOL expects a decrease in satisfaction among impacted customers, which in turn would impact the Results Washington Goal 5 sub-topics of customer satisfaction and service reliability.

**Performance Measure detail:**

DOL will measure the percent of transactions completed online, by transaction type and customer group; and the percent of customers who say we met or exceeded their ideal expectations with online services. These are outcome measures in our 2017-2020 Strategic Plan, reflecting our goals of customer focus and efficient, effective services. (Results DOL Measure Reports are available upon request; no measures in the RPM system will be impacted by this decision package).

**Fully describe and quantify expected impacts on state residents and specific populations served.**

2015 Counts from June 2016 Stats and Trends Report	
2,972,760	Driver transactions
836,157	Internet Transactions
28%	% done online

8,152,474	Vehicle transactions
2,503,820	Internet Transactions
31%	% done online

As many as 3 million online customers a year could be impacted (based on 2015 with over 800,000 driver transactions and over 2.5 million vehicle transactions completed online).

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	Yes	Sound Transit
Other local gov't impacts?	No	
Tribal gov't impacts?	No	
Other state agency impacts?	No	
Responds to specific task force, report, mandate or exec order?	No	
Does request contain a compensation change?	No	
Does request require a change to a collective bargaining agreement?	No	
Facility/workplace needs or impacts?	No	
Capital Budget Impacts?	No	

Is change required to existing statutes, rules or contracts?	No	
Is the request related to or a result of litigation?	No	
Is the request related to Puget Sound recovery?	No	
Identify other important connections	None	

Please provide a detailed discussion of connections/impacts identified above.

The state collects RTA fees that are used to support local projects. The state is reimbursed for expenses related to DOL's collection of the fees.

**What alternatives were explored by the agency and why was this option chosen?**

Option 1: Do nothing. This option is not considered practical because of negative impacts on other driver's license related service areas.

Option 2: Request funding for increased credit card fees. This option allows DOL to continue offer customers access to online services without impacting other business areas.

**What are the consequences of not funding this request?**

DOL is required by law to furnish driver licenses, vehicle registrations, business, and profession licenses. By providing these services online credit card fees are incurred and without this funding, the agency would need to reduce services in other areas or reduce online services. Reducing online services will increase traffic to Licensing Services Offices (LSOs) and sub-agent offices.

**How has or can the agency address the issue or need in its current appropriation level?**

DOL cannot address this issue without negatively impacting other service areas.

One of DOL's strategic initiative is to promote online transactions which:

- Allows for faster processing of eligible transactions (no waiting in line).
- Provides online renewal notifications (saves printing and postage costs).

**Other supporting materials:** Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

N/A

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

## 2015-17 Biennium Budget Decision Package

**Agency:** Department of Licensing

**Decision Package Code/Title:** M2 Driver's License Production (2nd supplemental)

**Budget Period:** 2015-2017

**Budget Level:** Maintenance

**Agency Recommendation Summary Text:**

The Department of Licensing requests funding to support increased driver's license production costs. (Highway Safety Account-State)

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

<b>Operating Expenditures</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
106-1	741,000	263,000	0	0
<b>Total Cost by Fund</b>	<b>741,000</b>	<b>263,000</b>	<b>0</b>	<b>0</b>
<b>Staffing</b>				
FTEs	0.0	0.0	0.0	0.0
<b>Revenue</b>				
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Object of Expenditure</b>				
E	741,000	263,000	0	0
<b>Total Cost by Object</b>	<b>741,000</b>	<b>263,000</b>	<b>0</b>	<b>0</b>

**Package Description**

**Summary**

Department of Licensing (DOL) requests funding to support increased driver's license and identocard production. The total 2015-17 biennium request is for \$1,004,000 from the Highway Safety Account to pay DOL's contracted central issuance system vendor for card production. This total includes cost-per-card changes associated with a new central issuance vendor and increased document production driven by new residents in the state.

## **Background**

Under the provisions of Chapter 46.20 RCW the Department of Licensing (DOL) issues driver's licenses and identicards to qualified residents of the state. These documents are produced in a secure facility operated by a central issuance system (CIS) vendor under contract with DOL. DOL pays the vendor for the costs of producing personal driver's licenses and enhanced driver's licenses, as well as sales tax on the document costs and postage for mailing documents to customers. The agency's allocation to cover these costs is based on forecast data adopted by the state's Transportation Revenue Forecast Council.

Washington State is experiencing an increase in population that impacts the demand for driver's license and identicard documents. This package requests funding for the 2015-17 biennium to respond to higher demand and the subsequent production costs of driver's licenses and identicards caused by state population growth. The package also illustrates changes in allocation requirements based on contractual changes with DOL's new CIS vendor that will be fully integrated at the beginning of the 2017-19 biennium.

## **Current Status**

Over the past two years, Washington's population increase has been noted by the state. A June 25, 2015 press release titled "Washington's population tops 7 million" issued by the Office of Financial Management (OFM) notes:

"Washington's population increased considerably in the past year. Annual estimates prepared by the Office of Financial Management show the state's population increased by 93,200 to 7,061,400 between 2014 and 2015. This 1.34 percent gain — up from 1.25 percent in 2014 — marks the largest annual increase since 2008.

Washington's population has been growing at an increasing rate, driven largely by migration. This year there was a net gain of 57,400 people moving into the state, compared to a net gain of 49,500 the previous year. Net migration accounts for 62 percent of the state's population growth this year, with natural increase (births minus deaths) responsible for the other 38 percent (35,800 people). For the second straight year, net migration exceeds the three-decade historical average of 48,800 migrants per year".

<http://www.ofm.wa.gov/news/release/2015/150625.asp>

A June 30, 2016 press release titled "Washington's population grows at fastest pace since 2007" issued by OFM states:

"Washington's population grew by an estimated 1.73 percent over the past year — the largest percentage increase since 2007. The number of people in the state increased by 122,300 to 7,183,700, according to annual estimates prepared by the Office of Financial Management.

Migration was once again the primary driver behind Washington's population growth. From 2015 to 2016, net migration (people moving in vs. people leaving) to the state totaled 87,100,

compared to 57,600 the previous year. Net migration accounts for 71 percent of the state's population growth this year, with natural increase (births minus deaths) responsible for the other 29 percent (35,200 people)".

<http://www.ofm.wa.gov/news/release/2016/160630.asp>

DOL's Washington State Drivers Report further supports this trend. The 2015 report noted that driver in-migration (population moving to Washington from other states) was up 10.2 percent over the previous year, while the 2016 report indicated continued in-migration of 10.0 over the 2015 report. This package requests funding to support increased driver's license production costs associated with in-migration population trends.

<http://www.dol.wa.gov/about/docs/driver-reports/2015-06-WDL-report.pdf>

<http://www.dol.wa.gov/about/docs/driver-reports/2016-06-WDL-report.pdf>

### **Total Package Expenditure and Allocation Impact**

This decision package is a composite of forecast changes that impact projected volumes of card production and contractual changes related to the acquisition of a new CIS vendor. Contracted vendor changes include a reduction of \$0.11 in the cost of a non-enhanced personal driver's license (PDL) or identicard and a reduction of \$0.23 in the cost of an enhanced driver's license (EDL) or enhanced identicard (EID). A pro-ration of 16 percent was estimated for the volume of cards produced by the new vendor in FY 2017. It is assumed that all contract-related changes are fully incorporated by the beginning of the 2017-19 biennium. The lower cost-per-card in the new contract serves as an offset to costs driven by additional card production.

Forecast changes are subject to ongoing revision as forecasts are updated in accordance with the schedule as determined by state law. Changes are impacted by in-migration and other population changes within the state, which as noted above have been significant over the last several years. In future biennia, in-migration pressures on license issuance will be mitigated by the effect of the state's adoption of a six-year license life cycle, which has the effect of spreading five years of workload across six years.

**Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.** Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

DOL's 2015-17 base allocation for contracted cost-per-card payments is based on the March 2015 forecast of workload. Allotments are distributed for basic or PDL document production and EDL/EID document production.

\$9,872,930	PDL document production, Highway Safety Account-State (106-1)
<u>\$1,258,422</u>	EDL/EID document production, Highway Safety Account-State (106-1)
\$11,131,352	2015-17 allocation base

No FTE associated with document production, only vendor related expenditures.

Both types of document production are included in Activity A008, Licensing Citizens to Operate Motor Vehicles.

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:** Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

### **Expenditures**

The funding level in this package represents the net difference between volumes projected in the September 2016 Transportation Revenue forecast and the average volumes projected in the March 2015 Transportation Revenue Forecast, which served as the base for card production cost allocations.

Cost-per-card assumptions in future biennia reflect production cost as negotiated with DOL's Central Issuance System (CIS) vendor. Table 1 below includes estimates of savings related to contractual changes for costs per card. A lower rate of cost increases in future biennia are expected as the transition from a five year license to a six year license is complete. Expenditures are from the Highway Safety Account-State (106-1) and are expensed to Sub-object ER (Other Purchased Services) and activity code A008 Licensing Citizens to Operate Motor Vehicles.

### **FTEs**

There are no FTEs associated with this request.

### **Revenue**

Revenue changes associated with increased driver's license and identicard production are included separately in DOL's revenue forecasts as adopted by the Transportation Revenue Forecast council. These forecasts are updated regularly to capture fluctuations in document demand.

Table 1 provides detail of changes for personal driver's licenses and identicards, and enhanced documents.

Table 1

## Increased Driver's License Production

Personal Driver's License (PDL) Production Costs	FY 2016	FY 2017	2015-17
<b>Production Changes</b>			
September 2016 Forecast	1,983,409	1,932,322	3,915,731
March 2015 Forecast (avg/yr=funded production baseline)	1,855,814	1,855,814	3,711,628
<b>Change</b>	<b>127,595</b>	<b>76,508</b>	<b>204,103</b>
<b>Cost Changes</b>			
March 2015 forecast			
Old CIS Contract: \$2.66/card	\$4,936,465	\$4,936,465	\$9,872,930
September 2016 Forecast			
Old CIS Contract: \$2.66/card (Prior to May 2017)	\$5,275,868	\$4,711,645	\$9,987,513
New CIS Contract \$2.55/card (May 2017 on-going)		\$410,618	\$410,618
<b>Change, Basic (PDL/ID) documents</b>	<b>\$339,403</b>	<b>\$185,798</b>	<b>\$525,201</b>

EDL/EID Driver's License Production Costs	FY 2016	FY 2017	2015-17
<b>Production Changes</b>			
September 2016 Forecast	207,868	143,070	350,938
March 2015 Forecast (avg/yr=funded production baseline)	126,857	126,857	253,714
<b>Change</b>	<b>81,011</b>	<b>16,213</b>	<b>97,224</b>
<b>Cost Changes</b>			
March 2015 forecast			
Old CIS Contract: \$4.96/card	\$629,211	\$629,211	\$1,258,422
September 2016 Forecast			
Old CIS Contract: \$4.96/card (Prior to May 2017)	\$1,031,027	\$650,492	\$1,681,519
New CIS Contract \$4.73/card (May 2017 on-going)		\$56,393	\$56,393
<b>Change, Enhanced (EDL/EID) documents</b>	<b>\$401,816</b>	<b>\$77,674</b>	<b>\$479,490</b>

Document Production Costs	FY 2016	FY 2017	2015-17
2015-17 Allocation Base, using March 2015 forecast	\$5,565,676	\$5,565,676	\$11,131,352
Production Cost, using September 2016 Forecast	\$6,306,895	\$5,829,148	\$12,136,043
<b>Decision Package Funding Request</b>	<b>\$741,219</b>	<b>\$263,472</b>	<b>\$1,004,691</b>

**Decision Package Justification and Impacts****What specific performance outcomes does the agency expect?**

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

If funding is received, DOL can issue the increased volume of documents, pay the related invoices timely, and avoid using funds needed for direct customer service and operations. If funding is not received, agency performance may decline in the service area absorbing the increased costs.

**Performance Measure detail:**

If funding is not received, we would carefully analyze any performance data changes from the area that absorbed the increased costs.

**Fully describe and quantify expected impacts on state residents and specific populations served.**

This package supports all state residents that apply for and receive driver’s licensing or identocard documents from the department. Maintaining sufficient funding for document production will help ensure that front line and back office customer services are not negatively impacted.

**What are other important connections or impacts related to this proposal?** Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	
Other local gov’t impacts?	No	
Tribal gov’t impacts?	No	
Other state agency impacts?	No	
Responds to specific task force, report, mandate or exec order?	No	
Does request contain a compensation change?	No	
Does request require a change to a collective bargaining agreement?	No	
Facility/workplace needs or impacts?	No	
Capital Budget Impacts?	No	
Is change required to existing statutes, rules or contracts?	No	
Is the request related to or a result of litigation?	No	
Is the request related to Puget Sound recovery?	No	

Identify other important connections	None	
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Please provide a detailed discussion of connections/impacts identified above.

N/A

**What alternatives were explored by the agency and why was this option chosen?**

Option 1: Do nothing. This option is not considered practical due to negative impacts on other driver's license related service areas.

Option 2: Request funding for increased driver's license production. This option allows DOL to maintain higher driver's license card production levels without impacting other driver's license related functions, such as maintenance of driver records and licensing office counter services.

**What are the consequences of not funding this request?**

The department is required by law to furnish driver licenses and identification cards. Without this funding, the agency would have to reduce services in other areas. Service reductions in field offices would result in longer wait times. Service reduction in headquarters would extend the time it takes to update driver records or to administer driver sanctions, both of which have public safety implications. It takes a coordinated effort from supporting service areas to effectively issue licenses and identicards in a timely manner.

**How has or can the agency address the issue or need in its current appropriation level?**

The department could reduce service levels at licensing offices or in other areas, such as processing and maintenance of driver records.

**Other supporting materials:** Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

None

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

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## 2015-17 Biennium Budget Decision Package

**Agency:** 240 Department of Licensing

**Decision Package Code/Title:** ML2-8P Postage Rate Adjustments

**Budget Period:** 2015-2017

**Budget Level:** Maintenance Level

**Agency Recommendation Summary Text:** Department of Licensing requests funds for postage and printing costs due to increased volume of title, registration and disability renewal notifications. (Motor Vehicle Account – State)

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2016	FY 2017	FY 2018	FY 2019
108-1	536,000	623,000	619,000	658,000
<b>Total Cost by Fund</b>	<b>536,000</b>	<b>623,000</b>	<b>619,000</b>	<b>658,000</b>
<b>Staffing</b>				
FTEs	0.0	0.0	0.0	0.0
<b>Revenue</b>				
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Object of Expenditure</b>				
E	536,000	623,000	619,000	658,000
<b>Total Cost by Object</b>	<b>536,000</b>	<b>623,000</b>	<b>619,000</b>	<b>658,000</b>

### Package Description

#### Summary

Department of Licensing (DOL) is experiencing increased postage and printing costs due to increased volume of titles and registrations which creates the need for more renewal notifications. This service covers the renewal notices for titles, vehicle registrations and disability placards/identification cards. The total 2015-17 biennium request is for \$1,159,000 from the Motor Vehicle Account (108) to pay contracted postage and printing service.

#### Background

DOL prints and mails out over 15,000,000 renewal notices a biennium. Due to increased population migration and a healthier economy, more people are purchasing and titling vehicles in Washington State. This is leading to increased costs. Funding this request ensures the agency will continue to maintain the level of service that is expected by citizens. DOL continues to encourage citizens to sign up for online license renewal notifications to minimize postage and printing related costs.

Over the past two years, Washington’s population increase has been noted by the state. A June 25, 2015 press release titled “Washington’s population tops 7 million” issued by the Office of Financial Management (OFM) notes a 1.25 percent increase in 2014 and 1.34 percent increase in 2015.

<http://www.ofm.wa.gov/news/release/2015/150625.asp>

Also per the Detailed Forecast Tables published on June 21, 2016 by the OFM vehicle registrations grew 2.1 percent in 2014 and 3.5 percent in 2015. There is expected growth from fiscal year 2016 thru 2027 of 1.5 percent per year.

<http://www.ofm.wa.gov/budget/info/June16transpovol2.pdf>

DOL’s Washington State Drivers Report further supports this trend. The 2015 report noted that driver in-migration (population moving to Washington from other states) was up 10.2 percent over the previous year, while the 2016 report indicated continued in-migration of 10.0 over the 2015 report. This package requests funding to support increased driver's license production costs associated with in-migration population trends.

<http://www.dol.wa.gov/about/docs/driver-reports/2015-06-WDL-report.pdf>

<http://www.dol.wa.gov/about/docs/driver-reports/2016-06-WDL-report.pdf>

**Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.** Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

DOL’s 2015-17 base allocation for contracted postage and printing in the Renewal/Title Printing and Postage index is as follows:

Sub-Object Category	FY16	FY17	2015-17 Total
Communications/Telecommunications (sub-object EB - Postage)	2,948,328	2,936,173	5,884,501
Printing and Reproduction (sub-object EF - Printing)	1,140,000	1,140,000	2,280,000
<b>TOTAL</b>	<b>4,088,328</b>	<b>4,076,173</b>	<b>8,164,501</b>

All of these costs are under fund 108-1 Motor Vehicle Account and activity code A021 Administration of Vehicle and Vessel Title and Registration Services.

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:**

**Expenditures:**

The following table captures production levels for 5 different renewal notifications and the associated printing and mailing costs for the 2015-17 biennium. The number of renewal notifications (Count) was determined from trend data for the last 5 fiscal years. Rates vary by each renewal type due to different printing needs and bulk rates that apply to postage by each mailing size. A composite rate was used to display the calculations and was determined by dividing total cost by count.

Postage					
Biennium		2015-17		2017-19	
Fiscal Year		16	17	FY18	FY19
Disability Parking	Count	66,498	70,589	75,771	80,225
	Rate	\$ 0.44	\$ 0.44	\$ 0.44	\$ 0.44
	Total	\$ 29,259	\$ 31,059	\$ 33,339	\$ 35,299
ID Card	Count	167,150	171,678	167,232	168,768
	Rate	\$ 0.41	\$ 0.41	\$ 0.41	\$ 0.41
	Total	\$ 68,532	\$ 70,388	\$ 68,565	\$ 69,195
Parking Ticket	Count	42,702	53,594	57,732	66,373
	Rate	\$ 0.45	\$ 0.45	\$ 0.45	\$ 0.45
	Total	\$ 19,216	\$ 24,117	\$ 25,980	\$ 29,868
Title	Count	1,652,625	1,587,179	1,514,656	1,446,851
	Rate	\$ 0.42	\$ 0.42	\$ 0.42	\$ 0.42
	Total	\$ 694,103	\$ 666,615	\$ 636,155	\$ 607,677
Vehicle Renewal	Count	5,951,666	5,977,330	6,169,348	6,250,463
	Rate	\$ 0.42	\$ 0.42	\$ 0.42	\$ 0.42
	Total	\$ 2,499,700	\$ 2,510,478	\$ 2,591,126	\$ 2,625,194
<b>Total</b>		<b>\$ 3,310,810</b>	<b>\$ 3,302,657</b>	<b>\$ 3,355,165</b>	<b>\$ 3,367,233</b>

Printing					
Biennium		2015-17		2017-19	
Fiscal Year		16	17	FY18	FY19
Disability Parking	Count	101,988	99,654	108,120	120,248
	Rate	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
	Total	\$ 20,398	\$ 19,931	\$ 21,624	\$ 24,050
ID Card	Count	584,545	552,415	661,018	736,742
	Rate	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
	Total	\$ 116,909	\$ 110,483	\$ 132,204	\$ 147,348
Parking Ticket	Count	1,079,611	733,437	1,005,790	903,085
	Rate	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17
	Total	\$ 183,534	\$ 124,684	\$ 170,984	\$ 153,524
Title	Count	1,329,712	1,511,578	1,407,121	1,423,481
	Rate	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22
	Total	\$ 292,537	\$ 332,547	\$ 309,567	\$ 313,166
Vehicle Renewal	Count	4,375,419	5,056,547	4,487,047	4,557,692
	Rate	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
	Total	\$ 700,067	\$ 809,047	\$ 717,927	\$ 729,231
<b>Total</b>		<b>\$ 1,313,445</b>	<b>\$ 1,396,692</b>	<b>\$ 1,352,306</b>	<b>\$ 1,367,319</b>

Budget Shortfall	FY16	FY17	2015-17 Total	FY18	FY19	2017-19 Total
Current Budget (CFL)	4,088,328	4,076,173	8,164,501	4,088,328	4,076,173	8,164,501
Expenditure Forecast	4,624,255	4,699,349	9,323,604	4,707,471	4,734,552	9,442,023
Variance	(535,927)	(623,176)	(1,159,103)	(619,143)	(658,379)	(1,277,522)

**FTEs:**

There are no FTEs associated with this request.

**Revenue:**

There is no expected additional revenue from this decision package.

**Decision Package Justification and Impacts****What specific performance outcomes does the agency expect?**

DOL will be able to continue offering mailed reminders and therefore continue meeting the customer expectation for mailed notification services. If funding is not received, DOL will have to limit offering mailed vehicle tab renewal notices and would expect:

- significant customer complaints
- an increase of expired tabs and the associated work for law enforcement to pull cars over
- less timely and accurate customer data in DOL systems needed by DOL and law enforcement for regulatory purposes
- a decrease in revenue from vehicle tab renewals

These outcomes would be counter to elements of DOL's mission – great service, public safety and collecting revenue. If funding is not received and DOL cuts some other service to pay for unfunded postage, DOL would expect a decrease in satisfaction among those customers impacted, which in turn would impact the Results Washington Goal 5 sub-topics of customer satisfaction and service reliability.

**Performance Measure detail:**

DOL will continue measuring documents printed and mailed, and comparing those to electronic alternatives chosen by customers, analyzing for trends and opportunities to increase electronic alternatives. DOL will continue measuring customer satisfaction for service by mail, office, phone and internet. If this request is not funded, an analysis of customer comment data for feedback would be used on what services to cut from.

**Fully describe and quantify expected impacts on state residents and specific populations served.**

These mailings include the vast majority of Washington State residents. This would impact those with vehicles, vessels, disability placards and identification cards.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	
Other local gov't impacts?	No	
Tribal gov't impacts?	No	
Other state agency impacts?	No	
Responds to specific task force, report, mandate or exec order?	No	
Does request contain a compensation change?	No	
Does request require a change to a collective bargaining agreement?	No	
Facility/workplace needs or impacts?	No	
Capital Budget Impacts?	No	
Is change required to existing statutes, rules or contracts?	No	
Is the request related to or a result of litigation?	No	
Is the request related to Puget Sound recovery?	No	
Identify other important connections	Yes	DOL encourages online renewals and notifications. While it saves postage and printing it does shift some costs to credit card fees.

**Please provide a detailed discussion of connections/impacts identified above.**

By having citizens do more online transactions it increases customer satisfaction from quicker transactions: no wait times, can be done from home and electronic notifications. Online transactions will encourage savings from postage, printing, facility and staffing costs for renewal notifications and in-person renewal transactions, but will incur more credit card fees and online website maintenance. As more people adopt online services, it will create the budget savings and works to offset population growth budget impacts at DOL.

**What alternatives were explored by the agency and why was this option chosen?**

Option 1 – Request additional funds to maintain current service levels.

Options 2 - The agency continues to encourage customers to sign up for online license renewal notifications to minimize postage and printing costs.

Option 3 – Make cuts to other DOL services to maintain this particular service. This could also include limiting which service products get renewal notifications or make cuts to other business areas to make this service whole.

DOL is pursuing option 1 and 2 to maintain current service levels that will best meet the customer’s expectations and confidence in government services while DOL continues to encourage the use of online services.

**What are the consequences of not funding this request?**

Without additional resources, DOL will have to divert resources from other direct service program areas. Diverting resources would only shift customer dissatisfaction from one business area to another or in multiple areas because it would then create underfunding in multiple areas.

**How has or can the agency address the issue or need in its current appropriation level?**

One of DOLs strategic initiative is to reduce barriers with online transactions by adding more services and making the website user friendly. With each generation becoming more comfortable with technology and with increasing access to the internet it is anticipated the use of online services will continue to rise.

**Other supporting materials:**

None.

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)