

HF3964 - 3A - Driver and Vehicle Services Temporary Staffing

Chief Author: **Frank Hornstein**
 Committee: **Transportation Finance & Policy Division**
 Date Completed: **3/4/2020 4:45:15 PM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
Restrict Misc. Special Revenue	-	904	1,805	-	-	-
Total	-	904	1,805	-	-	-
Biennial Total			2,709			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/4/2020 4:45:15 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2019	FY2020	FY2021	FY2022	FY2023
Restrict Misc. Special Revenue	-	904	1,805	-	-	-
Total	-	904	1,805	-	-	-
Biennial Total			2,709			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc. Special Revenue	-	904	1,805	-	-	-
Total	-	904	1,805	-	-	-
Biennial Total			2,709			-
2 - Revenues, Transfers In*						
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This legislation would remove the requirement for criminal background checks on any current or prospective employees of the Department of Public Safety (DPS) or driver’s license agent (DLA) that issue standard, non-compliant credentials only. A background check will continue to be required for those who issue REAL ID compliant driver’s licenses; REAL ID compliant identification cards; enhanced driver’s licenses and enhanced identification cards. The bill also makes statutory changes for what is considered acceptable proof of residency documentation.

It is also requesting appropriation from the Vehicle Services Operating Account Special Revenue Fund to hire temporary staff that will supplement the Dirver and Vehicle Services (DVS) Driver’s License and Support Services work units in processing all Real ID current and future credential work. This is needed to ensure all Minnesotans are not delayed in their travel plans once the REAL ID deadline takes effect on October 1, 2020.

Assumptions

Section 1

Only DLA staff that have met the department’s background check requirements will be able to process REAL ID and enhanced credential transactions. DLA staff that have not met the DPS background check requirements will be allowed to issue standard, non-compliant credentials only.

Section 2

This section amends the requirements for the types of documents accepted as proof of residency under Minnesota Statutes 171.06, subd 3, paragraph (b).

Technology costs

Due to the required programming changes to the driver’s license system (FastDS), the effective date of the day following final enactment cannot be met. The earliest completion date would be August 1, 2020.

DVS estimates four weeks would be needed to implement necessary changes to FastDS to allow REAL ID record access to authorized individuals only and complete modifications to comply with changes outlined in section 2. Programming costs are \$8,000 per week.

Section 3

Assumes funds be used for a temporary staffing contract, furniture rental, computer equipment, and computer enterprise

expenses.

Assume an effective date of April 1, 2020 to ensure a contract amendment is in place with a temporary staffing agency and all workstations and computer equipment are secured.

Assumes the funding is appropriated through the end of calendar year 2020 in order to keep turnaround under 45 days.

Assumes DVS will contract for fifty (50) driver's license issuing temporary staff and five (5) temporary lead workers to process daily driver license application transactions; and five (5) temporary scanning staff to scan driver's license applications to keep the work queues up-to-date for the issuing staff to process.

One-time costs per Drivers Services Issuing, Drivers Services Lead, Document Imaging Admin units FTE:

Computer monitors (\$135 x 2) = \$270

One-time cost for fingerprinting background checks 60 temporary staff = \$32

Total one-time costs per FTE = \$302

Monthly costs for temporary Drivers Services Lead workers:

Laptop computer enterprise rate = \$74.60

Employee computing costs = \$48.74

Furniture rental = \$101.00

Office Space Rental \$25/yr per x 100 sq ft (25/12 x 100) = \$208.33

Total monthly costs per FTE = \$432.67

Monthly costs per Drivers Services Issuing and Document Imaging Admin Staff work units FTE:

Desktop Computer enterprise rate = \$57.54

Employee computing costs = \$48.74

Furniture rental = \$101.00

Office Space Rental \$25/yr per x 100 sq ft (25/12 x 100) = \$208.33

Total monthly costs per FTE = \$415.61

Assumes 60 driver's license temporary staff will be needed to process driver's license applications. Current backlogs (March 4, 2020) are:

EDL = 58 days;

Real ID = 49 days;

Standard = 33 days;

The target processing time is less than 45 days' turnaround by October 1, 2020.

Assumes a baseline comparison of incoming applications from January 2019 to January 2020 was used to estimate total number of FTEs needed to process the increase in applications.

Assume DVS will experience turnover during this time period, monthly expenditures are reduced by 5% with the 50 Driver's License Issuing staff to account for the turnover.

Assumes office space will need to be leased to accommodate the increase in staff.

Expenditure and/or Revenue Formula

FY 2020 Expenditures

Vehicle Services Operating Account - Special Revenue Fund:

FY20 - 3 months - April, May, June 2020

Five (5) Temporary Team Lead - \$34.00/hr. X 522 hrs X 5 = \$88,740
50 Temporary Issuing Staff Drivers Services- \$26.50 X 496hrs (522*.95 = 496) X 50 = \$657,200
Five (5) Temporary Scanning staff - \$25.00/hr. X 522 hrs. X 5 = \$65,250

TOTAL PERSONNEL COSTS: \$811,190

One-time computer equipment costs (listed above) and Fingerprinting for DS Issuing, Drivers Services Lead, Document Imaging Admin

Computer equipment (60 X \$270) = \$16,200
Fingerprinting (60 X \$32) = \$1,920

TOTAL ONE-TIME COSTS: \$18,120

Monthly costs (listed above)

Monthly costs Team leads \$432.67 X 3 months X 5 = \$6,490
Monthly costs Issuing/Scanning staff (listed above) \$415.61 X 3 months X 55 = \$68,576

TOTAL MONTHLY EQUIPMENT COSTS: \$ 75,066

Total FY 2020 Special Revenue Expenditures = \$904,376

FY 2021 expenditures

Special Revenue Fund Driver and Vehicle Services Technology account:

FastDS programming 4 weeks x \$8,000 per week = \$32,000 one-time cost

Special Revenue Fund - Vehicle Services Operating Account:

Five (5) Temporary Team Lead - \$34.00/hr. X 1,044hrs X 5 = \$177,480
50 Temporary Issuing Staff Drivers Services- \$26.50 X 992hrs (1044*.95 = 992) X 50 = \$1,314,400
Five (5) Temporary Scanning staff - \$25.00/hr. X 1044 hrs. X 5 = \$130,500

TOTAL PERSONNEL COSTS: \$1,622,380

Monthly costs (listed above) \$432.67 X 6 months X 5 for Team Leads = \$12,980
Monthly costs (listed above) \$415.61 X 6 months X 55 = \$137,151

TOTAL MONTHLY EQUIPMENT COSTS: \$150,131

Total FY 2021 Special Revenue Expenditures (combined Vehicle Services & Technology Account = \$1,804,511

Long-Term Fiscal Considerations

The DVS budget is fee-based and must cover the cost of business through fees collected. Any increase in expenses may require increasing fees.

Local Fiscal Impact

References/Sources

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