

# Government Services Committee

Thursday, October 11, 2012  
Harvest Room

North Dakota Department of Transportation  
Director Francis G. Ziegler

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Mr. Chairman and members of the committee, I'm Francis Ziegler, Director of the North Dakota Department of Transportation (DOT). Today we will discuss the following topics:

- Map 21 Federal Funding Program.
- Motor Vehicle Registration and Drivers License Information.

## **MAP 21 Federal Funding Program**

The House and Senate passed a new two-year \$105 billion surface transportation reauthorization bill, called Moving Ahead for Progress in the 21st Century or MAP-21 this summer. The bill states North Dakota's apportionment will be approximately \$240.5 million in 2012 and 2013.

In addition to apportionment, the state needs obligational authority for the funding. In federal fiscal year 2012, DOT received approximately \$236.2 million of obligational authority. In looking to the future Congress provided a continuing resolution (CR), for a six month period. The amount received for this first six month period (October 2012 – March 2013) is approximately \$108.8 million. Over the past five years, DOT received an average of approximately \$245 million in obligational authority a year.

## **Motor Vehicle Registration and Drivers License Information:**

- **Temporary Motor Vehicle Registrations.**  
The total number of temporary motor vehicle registrations in the first 15 months of the biennium is 10,208 registrations, with approximately \$3.02 million collected. Three important factors contribute to the success of this program: increased law enforcement, changing the manual process to an electronic process and implementing a public information campaign.
- **Total motor vehicles registrations and renewals in the state.**  
First I'd like to thank you for the two FTE's the legislature designated for Motor Vehicle last session. These positions were incorporated into our consumer section which processes paperwork for titles and registrations.

For the first time ever in North Dakota over one million registration renewals were processed last year. In addition there has been a 30% increase in motor vehicle titling activity when comparing the first six months of 2011 to 2012. As a result of this growth we know that there are long waiting periods for receiving titles and customer lines at motor vehicle offices.

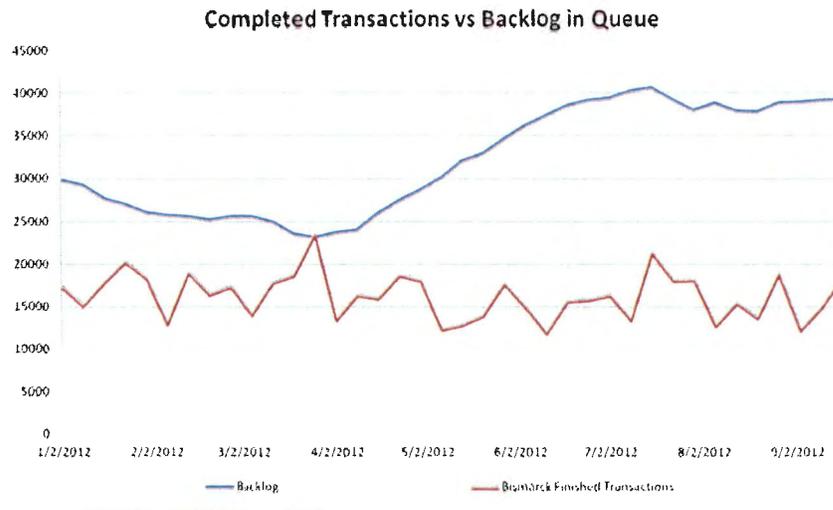
DOT currently outsources all of its Motor Vehicle branch offices to for profit entities, however the final quality review is done at the central office. Some of the challenges we face are:

- **Branch training and turnover** – While we once had a stable workforce, that has changed as Williston and Watford City have had 100 % turnover in staff in the past year. Dickinson had 66% turnover, and other branch offices have also experienced turnover across the state. We have had to take Central Office staff off paperwork production and put them into full-time training.
- **Central Office training and turnover-** We have also experienced a large number of retirements and turnover with permanent and temporary employees over the past few years. This takes staff away from production work to conduct training.
- **More complex titling issues** with all the out of state vehicles.
- **Fraud** – seeing much more in North Dakota.
- **Increase in phone calls** - 2,500 phone calls a week in Bismarck Central Office.
- **Additional work load every other year** - 75,000 additional pieces of mail this year, handicap and off highway placards

**Efforts to improve MV process:**

We continuously look for new ways to become more efficient and enhance the process.

- Continuing to use technology to communicate with branches and provide online training.
- Changed registration notice format to new size to remove duplication of notices and enhance automation of the mailing process.
- Used Six Sigma process to improve efficiencies of our current process.



Even with additional employees and processes in place we recognize we are still behind and continue to explore other options.

**Drivers License numbers also increase:**

We want to also thank you for the four FTE's for Drivers License which have been placed in Williston, Dickinson, Minot and Bismarck Drivers License offices. Because of the additional staffing we have made improvements to the CDL process which includes improving wait time for CDLs from an average of 32 days in 2010, to a statewide average of 19 days over the past few months. In addition, there is a new federal rule effective in 2014 that will require CDL drivers to hold a CDL permit for 14 days before testing.

**However demand for our services continues to grow.** As of July 2012 we had 502,807 licensed drivers, which is an increase of 12,661 drivers, compared to the same time in 2011. In addition to increased volume, the complexity is increasing as we must verify medical certification before issuing the CDL, and we are seeing more foreigners, therefore we must verify identity, and we are seeing more fraud. Williston Driver's License office has seen an increase in CDLs from 365 in 2011 to 654 so far in 2012. This growth alone, takes slightly more than one staff person for the entire year.

We are partnering with Bismarck State College, Williston State College and private oil companies for 3<sup>rd</sup> party CDL testing. We still need staff to oversee and monitor schools and meet federal requirements.

The state continues to grow at a rapid rate and according to a state housing study the population is expected to increase to 850,000 people in 15 years. In light of this study, we realize there is a direct correlation for the need to provide motor vehicle and drivers license services, putting more pressure on workload. We will continue to evaluate staffing needs and research operational efficiencies to meet the needs of state residents.

This concludes my testimony, thank you for the opportunity to appear before the committee today.