

AGENDA
ASSEMBLY BUDGET SUBCOMMITTEE NO. 5
ON TRANSPORTATION AND INFORMATION TECHNOLOGY

Assemblymember Pedro Nava, Chair

WEDNESDAY, MARCH 29, 2006
ROOM 127 – 4:00 PM

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PROPOSED CONSENT

ITEM 2700 **OFFICE OF TRAFFIC SAFETY**

The Office of Traffic Safety (OTS) administers the California Traffic Safety Program. Under the provisions of state law, the office conducts a wide range of activities designed to reduce deaths, injuries and property damage that result from traffic accidents. Activities include: (1) developing the California Highway Safety Plan, which identifies major traffic safety problems, appropriate countermeasure programs and available state and federal funds; (2) administering funds to state and local governmental entities in the form of project grants; and (3) coordinating statewide traffic safety programs and activities. The nine priority areas of traffic safety are alcohol and drugs, occupant protection, pedestrian and bicycle safety, traffic records, emergency medical services, roadway safety, police traffic services, motorcycle safety and speed control.

The Governor's proposed budget includes a total of \$85.2 million (no General Fund) for OTS, an increase of \$242,000 above the current year.

ITEM 2720 **CALIFORNIA HIGHWAY PATROL – CAPITAL OUTLAY**

The Governor's budget proposes a total of \$5.7 million for various Capital Outlay projects throughout the state.

ITEM 2740 **DEPARTMENT OF MOTOR VEHICLES – CAPITAL OUTLAY**

The Governor's budget proposes a total of \$17.9 million for Capital Outlay, for the continued renovation of the Sacramento Headquarters.

ITEMS TO BE HEARD

ITEM 2720 CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) is responsible for ensuring the safe, lawful, and efficient transportation of persons and goods along the state's highway system, and providing protective services and security for state employees and property.

The Governor's proposed budget includes \$1.6 billion, of which \$1.4 billion is from the Motor Vehicle Account (MVA), for the CHP, an increase of \$124 million above the current year.

ISSUE 1: OFFICER STAFFING INCREASE

The Governor's proposed budget includes an increase of \$33.7 million for partial year funding of 240 new uniformed officers and full year funding for 70 supervisory and nonuniformed staff.

COMMENTS:

The need for additional CHP officers and support staff is clear. According to the LAO, additional staffing is particularly necessary to CHP divisions that have seen recent large increases in vehicle registrations and highway travel. In addition, the LAO points out that vehicle collisions throughout the other divisions have far outpaced officer hiring between 2000 and 2004.

However, as identified in the LAO Analysis, the budget provides \$3.2 million more than what is necessary to fund the proposed staffing increase. This is the result of the budget not taking into account the reduced salaries of the new officers while in cadet school.

The CHP and the Department of Finance agree that the funding should be reduced by \$3.2 million to take into account the cadet pay of the new officers.

ISSUE 2: 9-1-1 STAFFING

The Governor's proposed budget includes \$6.4 million for the partial year cost of 173 new positions to staff the 9-1-1- call centers.

COMMENTS:

In total, the Administration proposes to double the size of the call-taking staff from 325 to 654 over a two year period. The ongoing annual costs for the 329 positions will be about \$19 million.

The LAO is concerned that, while a staffing augmentation is warranted, the proposal is not based on reliable data. The CHP has only had call accounting data since November, 2005.

Therefore, the LAO recommends that the proposal for a new call center staff be held open, and that the Administration resubmit the proposal with the May Revision. The LAO suggests the new proposal be based on the automated call-accounting data for all medium and large centers and that other center-dependent variables also be taken into consideration.

The CHP has been working with the new available data and hopes to have all the requested information prior to the hearing and therefore avoid putting action on the proposal until after the May revision.

ITEM 2740 DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (DMV) promotes driver safety by licensing drivers, as well as protects consumers and ownership security by issuing vehicle titles and regulating vehicle sales. The DMV also collects various fees that are revenues for the Motor Vehicle Account.

The Governor's proposed budget includes a total of \$817.9 million (all special funds) for the DMV, an increase of \$47 million from the current year.

ISSUE 1: SB 1500 FUNDING

The Governor's proposed budget includes \$9.3 million for the second year of funding for the implementation of SB 1500 (Speier), Chapter 920, Statutes of 2004, which requires insurance companies to electronically report to the DMV and requires the DMV to establish a vehicle registration suspension program for vehicle owners that fail to provide evidence of insurance.

COMMENTS:

The \$9.3 million is proposed for a contract with a private vendor to implement the suspension program. The Administration has determined that vendor-based solution is necessary in order to meet the October 1, 2006 deadline for implementing this program, though they have gone back and forth on the issue several times. The indecision has lead to the difficulty in meeting the deadline.

The LAO supports the decision to use a vendor based solution, though they are concerned about the total cost of the program. The Administration estimates that the entire cost of the vendor based solution will be \$42 million through 2008-09. However, notes that there will be significant costs for the state to assume full program responsibilities in 2009-10.

Therefore, the LAO recommends the DMV report at the hearing on the plan for resuming full administration of the suspension program, including timelines and start-up costs.

ISSUE 2: REAL ID ACT IMPLEMENTATION REPORT

The federal Real ID Act of 2005 requires that beginning in May 2008 all people that live or work in the United States possess a federally approved ID card.

The state issued ID cards must meet federal regulations and contain antifraud security features.

COMMENTS:

Implementing the Real ID Act will be a significant undertaking for the DMV. The DMV has identified several components of the Real ID Act that will have an impact on DMV costs, these include:

- Maintaining electronic copies of identity source documents;
- Verifying the authenticity of identity source documents;
- Verifying an applicant's current address;
- Increasing storage capacity for name and address records;
- Communicating with other states to verify driver license status;
- Issuing driver licenses and ID cards for no more than eight years;
- Annually reissuing new licenses and ID cards for temporary residents; and
- Redesigning driver licenses and ID cards.

The DMV is prepared to report on their efforts for implementing the Real ID Act.