



Wes Moore
Governor
Aruna Miller
Lieutenant Governor
Paul J. Wiedefeld
Secretary

**J00E00 Maryland Department of Transportation
Motor Vehicle Administration
Fiscal Year 2025 Operating Budget
Response to Department of Legislative Services Analysis**

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Chair Sarah Elfreth
February 1, 2024

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Courtney Watson
January 31, 2024

**J00E00 MDOT – Motor Vehicle Administration
Fiscal Year 2025 Operating Budget
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DLS Budget Analysis

1. Proposed Budget Change (Page 9)

MVA should comment on the proposed hiring freeze, given the Administration's efforts to fill vacancies and fully staff State government.

MDOT Response:

The proposed hiring freeze would not impact the Motor Vehicle Administration's (MVA) premier customer service because the Customer and Driver License agent positions, which are approximately 70% of MVA positions, are not included in the proposal. Also, as indicated on page 11 of the analysis "turnover and necessary vacancies, excluding new positions" must be 85.3 or 5%. The proposed hiring freeze is well within that target.

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DLS Budget Analysis Issues

1. MVA Modernizes VEIP, Creating Efficiencies but Slight Decrease in Program Revenue (Page 14)

MVA should comment on the decision to implement the regulations, which results in a net loss of revenue to the TTF, given the current challenges facing the fund and the operating and capital reductions required to balance the Final 2024-2029 CTP.

MDOT Response:

The MVA and Maryland Department of Environment (MDE) implemented the VEIP regulations with the overall goals of modernizing the program, maintaining air quality achievements, enhancing motorist convenience while minimizing impacts to the Transportation Trust Fund. On average, vehicles that are three to six model years old had a pass rate of **99 percent**. Removing these vehicles from the testing requirement not only creates operational efficiency, shifting focus to vehicles with a higher likelihood of having concerns but also saves unnecessary customer time.

2. MVA Avoids Closing Branches and Reducing Hours, but Considers Increasing Certain Fees (Page 18)

Given the initial proposal to permanently close two limited-service MVA branch offices, the agency should comment on the long-term viability of keeping all current MVA facilities in operation.

MDOT Response:

Given the efficiency gains with the MVA's IT modernization system, Customer Connect, the MVA is able to maintain an appointment system that manages time capacity and maximizes the number of customers during business hours while minimizing wait times. In FY 2022, the average customer wait time was 16.8 minutes, in FY 2023 it was 7.5 minutes and in FY 2024 is 4.8 minutes through December. In addition, the use of alternative services continues to grow from 74.5% in FY 2022 to 79.9% year-to-date in FY 2024.

In terms of the long-term viability of keeping all current MVA facilities in operation, the MVA would not make lightly the decision to close any MVA branch office and would identify locations that would minimize impacts to employees and customers.

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Operating Budget Recommended Actions

1. Concur with Governor's allowance. (Page 19)

MDOT Response:

The Department concurs with the DLS recommendation.

PAYGO Budget Recommended Actions

1. Concur with Governor's allowance. (Page 19)

MDOT Response:

The Department concurs with the DLS recommendation.