

**J00E00**  
**Motor Vehicle Administration**  
**Maryland Department of Transportation**

***Executive Summary***

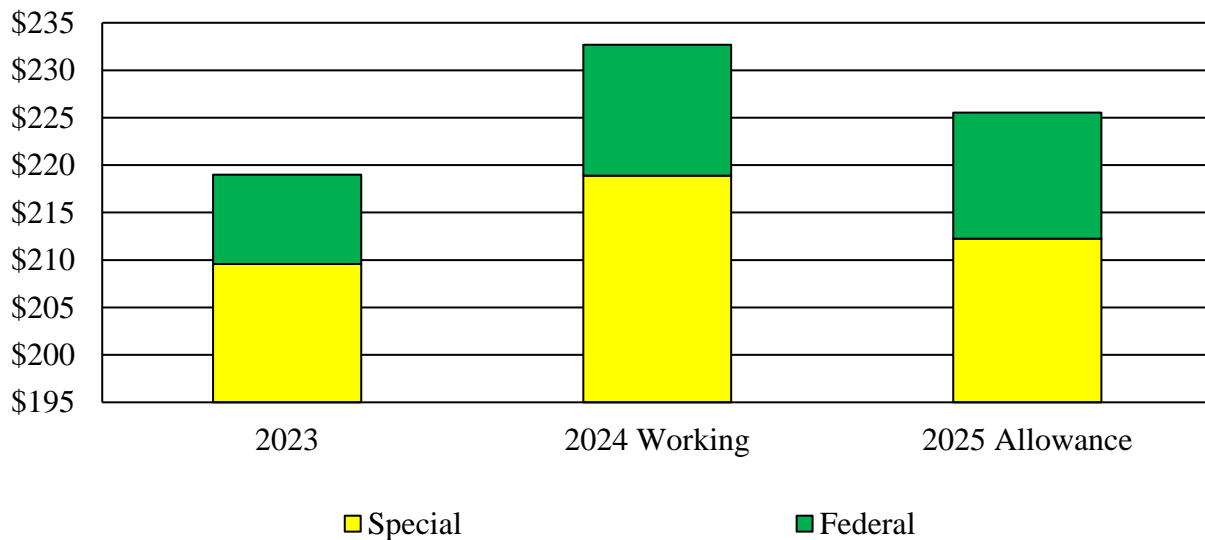
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The Motor Vehicle Administration (MVA) is responsible for supplying motor vehicle services to the citizens of Maryland, including driver license services, registration and titling of vehicles, administering vehicle inspection and driver safety programs, and the regulation of businesses related to the sale and rental of motor vehicles and the training of drivers.

***Operating Budget Summary***

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**Fiscal 2025 Budget Decreases \$7.2 Million, or 3.1%, to \$225.5 Million  
(\$ in Millions)**



Note: The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget. The fiscal 2025 allowance includes contingent reductions.

- Special funds flowing from the Transportation Trust Fund (TTF) to MVA decrease by \$6.65 million in the fiscal 2025 allowance, including one reduction contingent on legislation. A portion of the reduction is expected to be offset by additional special funds brought in with a supplemental budget.

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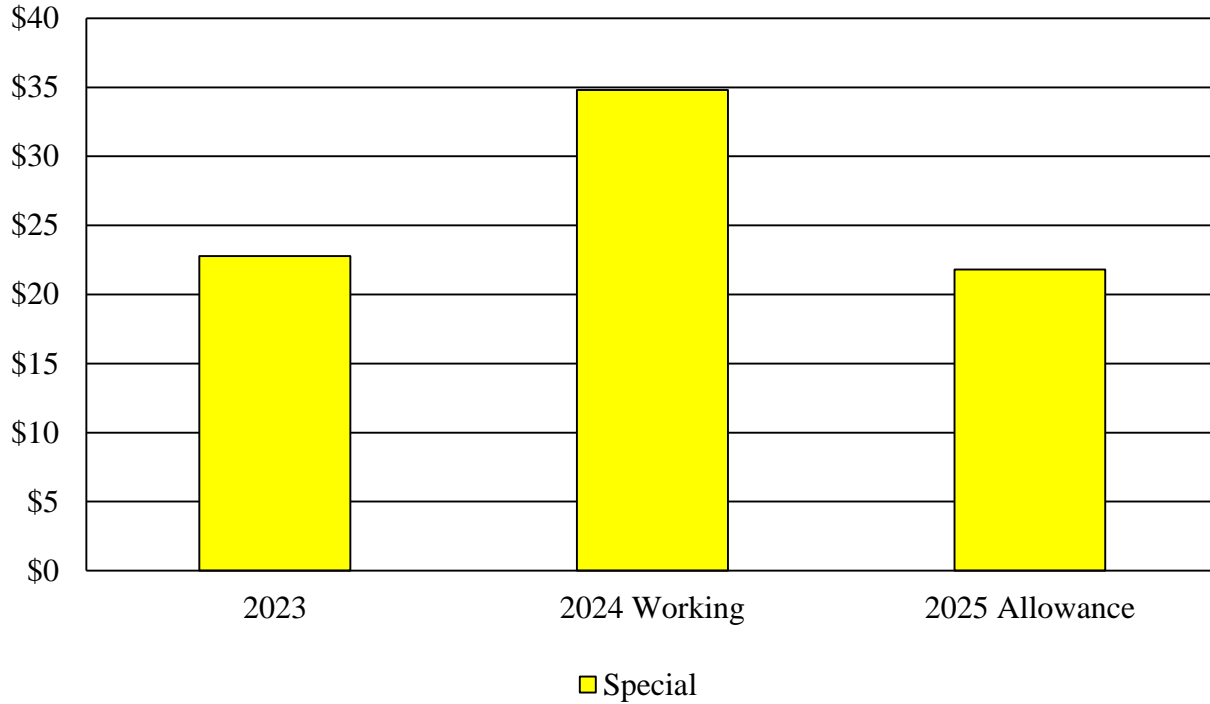
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## ***PAYGO Capital Budget Summary***

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**Fiscal 2025 Budget Decreases \$13 Million, or 37.3%, to \$21.8 Million  
(\$ in Millions)**



## ***PAYGO Capital Budget Data***

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(\$ in Thousands)

	<b>Fiscal 2023</b>	<b>Fiscal 2024</b>		<b>Fiscal 2025</b>
	<b><u>Actual</u></b>	<b><u>Legislative</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>
Special	\$22,777	\$35,245	\$34,810	\$21,809
<b>Total</b>	<b>\$22,777</b>	<b>\$35,245</b>	<b>\$34,810</b>	<b>\$21,809</b>

## ***Key Observations***

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- ***MVA Averts Branch Closures, Reduction in Hours:*** Branch closures and operational reductions in fiscal 2025, initially proposed to offset operating budget shortfalls, were avoided due to a one-time infusion of general funds in fiscal 2025 to support the TTF.
- ***Vehicle Emissions Inspection Program (VEIP) Changes Enacted, Slightly Decreasing Revenues:*** Regulations to extend the period during which new vehicles are exempted from emissions testing requirements were enacted after a prolonged debate; these changes are projected to slightly decrease revenues from fewer required emissions tests.

## **Operating Budget Recommended Actions**

1. Concur with Governor’s allowance.

## **PAYGO Budget Recommended Actions**

1. Concur with Governor’s allowance.

## **Updates**

- The Maryland Highway Safety Office (MHSO) has ramped up messaging efforts amid worrying crash trends.
- State-issued mobile identification (ID) cards are now available for Google/Android users.
- The appointments-only system at MVA offices continues to deliver improved customer service.

**J00E00**  
**Motor Vehicle Administration**  
**Maryland Department of Transportation**

## ***Budget Analysis***

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### **Program Description**

MVA is responsible for supplying motor vehicle services to the citizens of Maryland. These services include:

- licensing all commercial and noncommercial drivers;
- registering and titling vehicles;
- issuing tags and permits for persons with a disability;
- issuing photo ID cards for nondriver residents;
- regulating motor vehicle dealers, sales staff, vehicle rental companies, driver education schools, and driver education instructors;
- administering the compulsory insurance compliance program, Vehicle Emissions Inspection Program (VEIP), and driver safety programs; and
- coordinating the State's highway safety efforts.

MVA serves customers through a network of branch offices, e-MVA facilities (kiosks and online), a telephone call center, a mobile service center, and VEIP stations.

## ***Performance Analysis: Managing for Results***

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### **1. Efficient Management Practices**

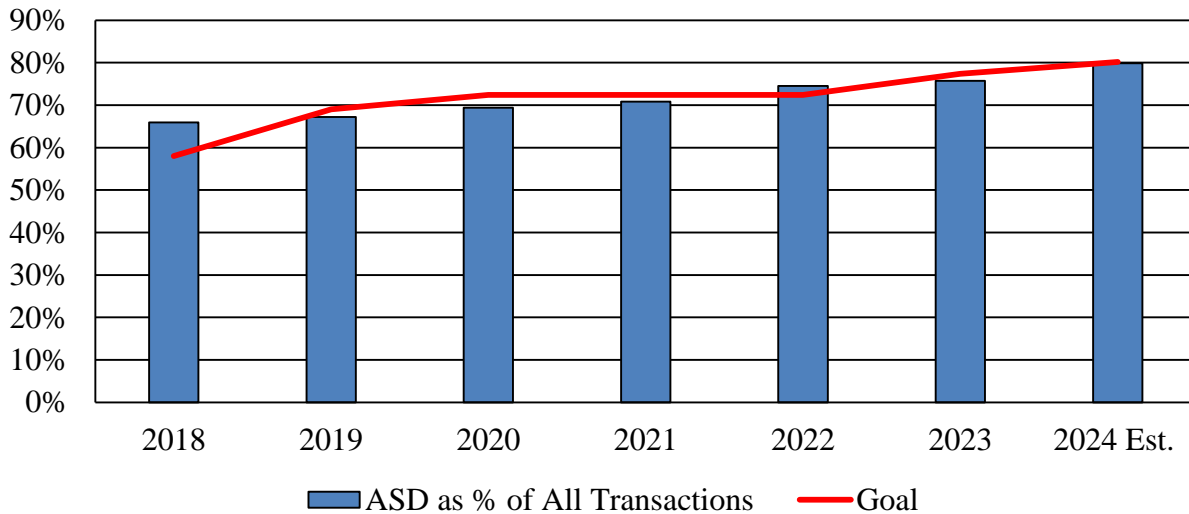
MVA's mission is to provide exemplary driver and vehicle services that provide Maryland mobility and safety while enhancing process and product security. MVA strives to implement efficient and effective management processes in pursuit of this mission.

MVA continues to make significant information technology (IT) investments to improve outdated systems and increase the number of alternative service delivery (ASD) transactions

performed to reduce customer wait times and improve the customer experience. This includes increasing transactions performed online via myMVA, at MVA kiosks, by mail, or via the telephone call center. Examples of ASD services include (1) a REAL ID status look-up tool; (2) the ability to review whether driving privileges are suspended prior to obtaining a copy of one’s driving records as well as the ability to print a list of the applicable suspensions; (3) the sale of CharmCards; (4) provisions through which commercial driver’s license holders can obtain drivers’ services products; and (5) the ability to renew dealer’s tags through myMVA.

In fiscal 2023, MVA aimed to have at least 77.4% of all transactions completed via ASD, an increase from the 72.4% goal set for fiscal 2022. The agency missed this elevated goal with 75.5% of transactions completed via an alternative format, although this was up from 74.5% in fiscal 2022. As seen in **Exhibit 1**, the agency will increase the goal to 80.2% of transactions in fiscal 2024. MVA cites operational efficiencies, including the Customer Connect system, as beneficial to reaching these increasingly higher goals.

**Exhibit 1**  
**ASD Transactions as Percent of All Transactions**  
**Fiscal 2018-2024 Est.**



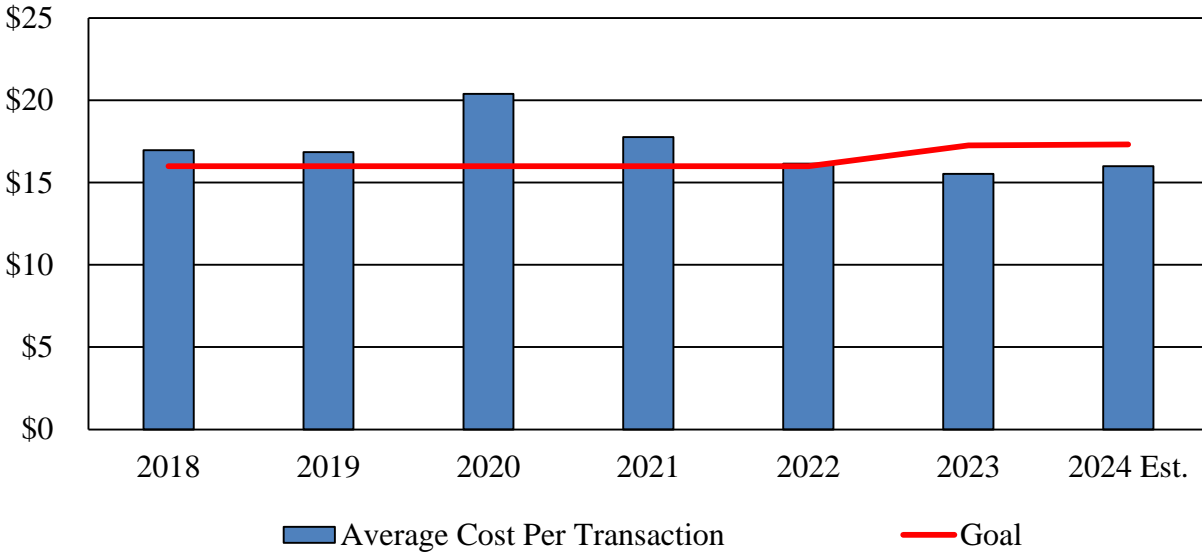
ASD: alternative service delivery

Source: Managing for Results

Another indicator of the efficiency of MVA business practices is the average cost per MVA transaction. As shown in **Exhibit 2**, the average cost per transaction in fiscal 2023 was \$15.53, significantly below the goal of \$17.26. In fiscal 2024, the agency strives to keep costs at or below

\$17.31, which it estimates it will achieve. Average transactional costs are trending downward and remain below the high of \$20.38 in fiscal 2020, which was elevated due to increased costs associated with the COVID-19 pandemic.

**Exhibit 2**  
**Average Cost Per MVA Transaction**  
**Fiscal 2018-2024 Est.**



MVA: Motor Vehicle Administration

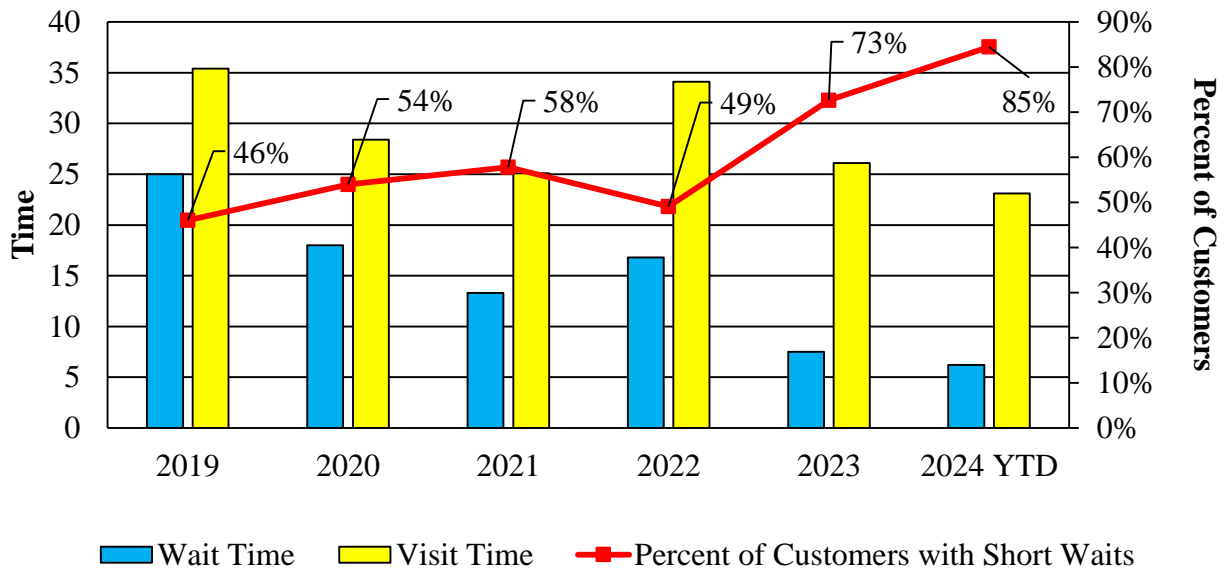
Source: Managing for Results

## 2. Exemplary Customer Service

MVA strives to minimize customer wait and visit time at MVA branch offices for customers who do not complete their transactions via ASD. Wait time is the time from when a customer checks in to their appointment until the time that they are served, whereas visit time is the sum of the wait time plus the time that it takes to complete a customer’s transaction. **Exhibit 3** shows the performance for these measures for fiscal 2019 through the fiscal 2024 year to date. From fiscal 2022 to 2023, the average wait time decreased from 16.8 to 7.5 minutes, and total visit time correspondingly decreased from 34.1 to 26.1 minutes. The appointment-only system adopted during the COVID-19 pandemic has continued to reduce wait times, and efficiency of service remains far above prepandemic levels. The slight increase in fiscal 2022 due to the transition to the new IT system, Customer Connect, has leveled off. Given continued improvements, the agency

began collecting a new data metric: percentage of all MVA customers with a wait time of under 10 minutes. In fiscal 2023, MVA served 73% of customers in this time and 85% fiscal 2024 year to date.

**Exhibit 3**  
**Average Customer Wait and Visit Times**  
**Fiscal 2019-2024 YTD**  
**(In Minutes)**



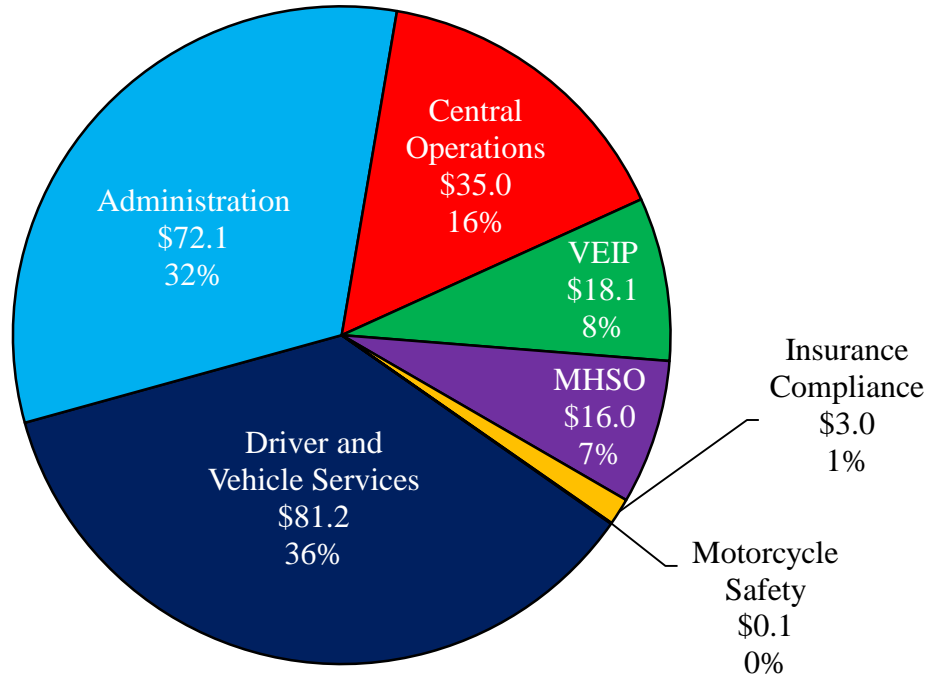
YTD: year to date

Source: Governor’s Fiscal 2025 Budget Books

### Fiscal 2025 Overview of Agency Spending

The MVA fiscal 2025 allowance is \$225.5 million, comprised of special funds from the TTF and federal funds. As seen in **Exhibit 4**, the plurality of the funding supports driver and vehicle services at MVA branch office operations throughout the State.

**Exhibit 4**  
**Overview of Agency Spending**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**



MHSO: Maryland Highway Safety Office  
VEIP: Vehicle Emissions Inspection Program

Note: Numbers may not sum due to rounding. The fiscal 2025 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget. The fiscal 2025 allowance includes contingent reductions.

Source: Governor’s Fiscal 2025 Budget Books

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### Proposed Budget Change

As shown in **Exhibit 5**, personnel costs decrease by a net \$2.4 million in the fiscal 2025 allowance. An increase of \$6.3 million for statewide salary actions is offset by savings associated with the proposed branch closures and operating hour reductions and a proposed hiring freeze.



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Budgetary changes resulting from increased virtual services total \$747,000 and include information technology needs and implementation of Voice over Internet Protocol (VoIP) systems. Proposed operational reductions, excluding personnel costs, total \$6.2 million and yield savings on rent, registration stickers, and mailings. This includes an anticipated \$3.1 million in contractual cost savings related to branch office operations. Additionally, the budgeted amount for the contract with the emissions program vendor is adjusted due to timing for the new solicitation.

Given the Governor’s announcement of a one-time \$150 million General Fund infusion to the TTF, some proposed cuts to fiscal 2025 operational funding are anticipated to be restored in a supplemental budget. For MVA, these restorations total \$4.4 million and will cover all costs associated with maintaining branch office operations at current levels. As described in Issue 2 of this analysis, this one-time funding infusion will allow MVA to avoid closing facilities or reducing hours in fiscal 2025. Approximately \$10.8 million in operational cuts are expected to remain and include reductions in mailings and printings for materials available online, a hiring freeze for certain position classifications, and elimination of registration stickers, contingent on legislation. **MVA should comment on the proposed hiring freeze, given the Administration’s efforts to fill vacancies and fully staff State government.**

**Exhibit 5  
Proposed Budget  
MDOT – Motor Vehicle Administration  
(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Total</u></b>
Fiscal 2023 Actual	\$209,555	\$9,367	\$218,922
Fiscal 2024 Working Appropriation	218,918	13,826	232,744
Fiscal 2025 Allowance	<u>212,217</u>	<u>13,285</u>	<u>225,502</u>
2024-2025 Amount Change	-\$6,701	-\$541	-\$7,242
2024-2025 Percent Change	-3.1%	-3.9%	-3.1%

<b>Where It Goes:</b>	<b><u>Change</u></b>
<b>Personnel Expenses</b>	
Salary increases and associated fringe benefits including fiscal 2024 COLA and increments .....	\$6,301
Personnel savings from proposed branch closures and hiring freeze .....	-8,745
Savings from converting 2 part-time positions into 1 full-time position.....	-20

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<b>Where It Goes:</b>	<b><u>Change</u></b>
<b>Continued Transition to Increased Virtual Services</b>	
Software for Customer Connect .....	\$668
Technical costs associated with more online transactions.....	598
Licenses and other information technology needs.....	505
Rebasing technical repair and maintenance costs to average amounts.....	-187
Savings from VoIP implementation .....	-837
<b>Proposed Operational Reductions</b>	
Other planned operational cuts .....	-261
Rent savings from proposed branch closures .....	-357
Stopping production of registration stickers, contingent on legislation .....	-1,050
Planned reduction in mailings.....	-1,378
Contractual savings related to branch closures.....	-3,119
<b>Other Operational Needs</b>	
Rate increase for paper forms .....	708
Janitorial services.....	636
Insurance coverage paid to State Treasurer's office.....	226
Savings on emissions contract due to delayed regulation adoption.....	-984
Other changes .....	55
<b>Total</b>	<b>-\$7,242</b>

COLA: cost-of-living adjustment  
MDOT: Maryland Department of Transportation  
VoIP: Voice over Internet Protocol

Note: Numbers may not sum to total due to rounding. The fiscal 2024 impacts of statewide salary adjustments are not reflected in this agency’s budget, instead appearing in the Statewide Account in the Department of Budget and Management (DBM). The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are not included in this agency’s budget, but instead are centrally budgeted in DBM.

## ***Operating and PAYGO Personnel Data***

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	<b><u>FY 23</u></b> <b><u>Actual</u></b>	<b><u>FY 24</u></b> <b><u>Working</u></b>	<b><u>FY 25</u></b> <b><u>Allowance</u></b>	<b><u>FY 24-25</u></b> <b><u>Change</u></b>
Regular Operating Budget Positions	1,706.50	1,706.50	1,706.50	0.00
Regular PAYGO Budget Positions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Regular Positions</b>	<b>1,706.50</b>	<b>1,706.50</b>	<b>1,706.50</b>	<b>0.00</b>
Operating Budget FTEs	4.45	7.00	7.00	0.00
PAYGO Budget FTEs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total FTEs</b>	<b>4.45</b>	<b>7.00</b>	<b>7.00</b>	<b>0.00</b>
<b>Total Personnel</b>	<b>1,710.95</b>	<b>1,713.50</b>	<b>1,713.50</b>	<b>0.00</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	85.28	5.00%
Positions and Percentage Vacant as of 1/1/24	122.5	7.15%
Vacancies Above Turnover	37.22	2.15%

- MVA’s average vacancy rate from February 2023 to January 2024 was 8.1%, the second lowest of all the Maryland Department of Transportation (MDOT) modes.
- As of January 1, 2024, 8.5 positions (7% of all vacancies) have been vacant for over one year. The agency cited various challenges in filling these vacancies, including difficulty in identifying candidates with required expertise and noncompetitive salaries.

## **PAYGO Capital Program**

### **Program Description**

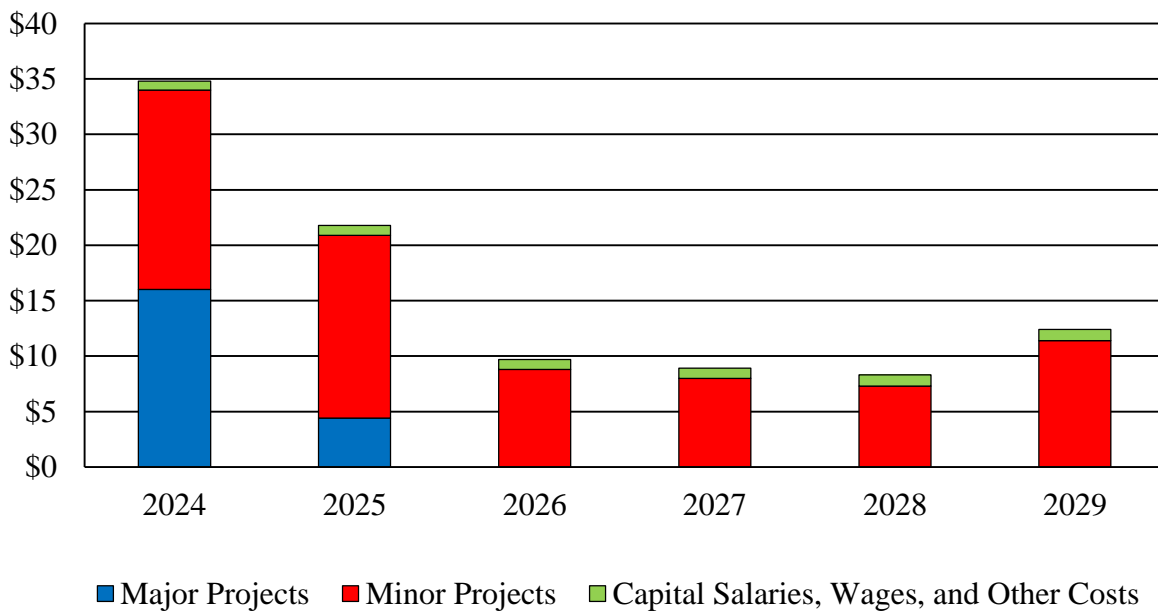
The Facilities and Capital Equipment Program provides funds for new capital facilities, renovations to existing facilities, the development of the new major IT systems, and the purchase of capital equipment.

### **Fiscal 2024 to 2029 Consolidated Transportation Program**

As shown in **Exhibit 6**, the fiscal 2024 to 2029 *Consolidated Transportation Program* (CTP) for MVA totals \$95.9 million, which is a decrease of \$21 million from the previous six-year

program. Unlike the prior year’s program, funding for the major projects are not planned beyond the proposed budget year. Due to the structural shortfalls identified in the CTP, MDOT reduced the six-year capital budget across all modes. Given MVA’s small capital program relative to other modes, these reductions required MVA to defer or cancel all out-year major capital projects until additional funding becomes available.

**Exhibit 6**  
**Six-year PAYGO Allowance**  
**Fiscal 2024-2029**  
**(\$ in Millions)**



PAYGO: pay-as-you-go

Source: Fiscal 2024-2029 *Consolidated Transportation Program*, Maryland Department of Transportation

### Fiscal 2025 Capital Allowance

As seen in **Exhibit 7**, MVA has \$4.4 million for major capital projects programmed in the fiscal 2025 allowance, including \$1.2 million for the Customer Connect project and \$3.2 million for the Glen Burnie headquarters renovation. The entire fiscal 2025 program, including minor projects and capital salaries, totals \$21.8 million.

**Exhibit 7**  
**PAYGO Capital Allowance**  
**Fiscal 2025**  
**(\$ in Millions)**

<u>Jurisdiction</u>	<u>Project Description</u>	<u>2025</u>	<u>Total Estimated Cost</u>	<u>Six-year Total</u>
<b>Projects</b>				
Statewide	Customer Connect	\$1,250	\$98,187	\$8,264
Anne Arundel	Glen Burnie Headquarters			
	Renovation	\$3,175	\$19,039	\$12,128
<b>Subtotal – Projects</b>		<b>\$4,425</b>	<b>\$117,226</b>	<b>\$20,392</b>
<b>Programs</b>				
Statewide	Minor Projects	\$16,500	n/a	\$70,000
Statewide	Capital Salaries	\$900	n/a	\$5,500
<b>Subtotal – Programs</b>		<b>\$17,400</b>		<b>\$75,500</b>
<b>Total – Projects and Programs</b>		<b>\$21,825</b>	<b>\$117,226</b>	<b>\$95,892</b>

PAYGO: pay-as-you-go

Source: Fiscal 2024-2029 *Consolidated Transportation Program*, Maryland Department of Transportation

## ***Issues***

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### **1. MVA Modernizes VEIP, Creating Efficiencies but Slight Decrease in Program Revenue**

MVA enacted regulations in 2023 that, among other changes, increased the time period from three to six years before most new cars need to have an emissions test. The change has led to a slight reduction in revenue to the State.

#### **Background**

In coordination with the Maryland Department of the Environment (MDE), MVA enacted regulations altering various aspects of VEIP regulations under COMAR 11.14.08.01 – 20.

Under current law, Section 23-202 of the Transportation Article requires that every motor vehicle registered in the State with a model year of 1977 or newer have an emissions test and emissions equipment and misfuelling inspection biennially. There is an exception to this requirement for qualified hybrid vehicles.

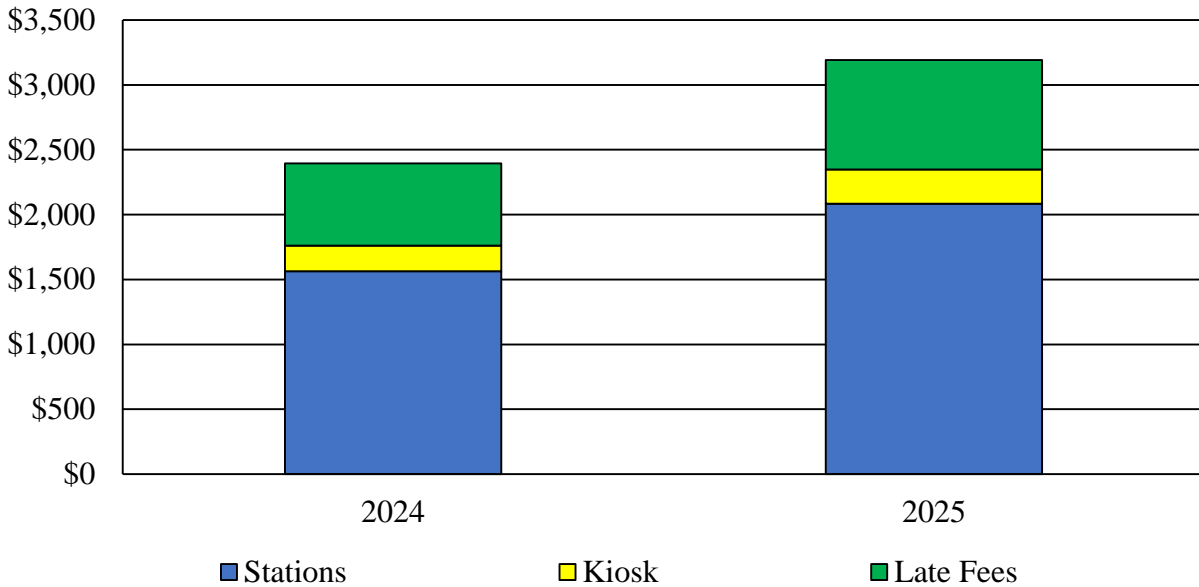
Under previous regulations, all vehicles that had not been previously owned or titled in another jurisdiction were exempt from testing and inspection for three years following registration in Maryland. The new regulation extends that exemption period to six years. Following the first testing of a new vehicle, or if a vehicle was sold prior to the three-year initial test, testing was required biennially. MVA notes that vehicle models from 2019 and newer had a 99% pass rate in the first six years of ownership.

#### **Fiscal Impact of Extended Exemption Period**

Extending the emissions testing exemption period for certain new vehicles from 36 to 72 months results in a decrease in State revenue from collection of fewer test fees. The agency estimates the change will reduce revenues by approximately \$2.4 million in fiscal 2024, given the October 4, 2023 effective date, and \$3.2 million in fiscal 2025. The revenue reductions result from fewer tests and associated fee revenues at VEIP stations and kiosks, in addition to fewer late fees being assessed.

These projections are based on several assumptions, including the number of vehicles expected to qualify for the extended exemption, the proportion of those that will have a title transfer and therefore require testing regardless of vehicle age, and the amount of late fees typically collected. The agency also evaluated the historic share of tests performed at VEIP stations (with a \$14 fee) versus kiosks (\$10 fee). As shown in **Exhibit 8**, the majority of lost revenue is from VEIP station test fees, followed by late fees, and kiosk test fees.

**Exhibit 8**  
**VEIP Changes**  
**Revenue Impact by Type**  
**Fiscal 2024-2025**  
**(\$ in Thousands)**

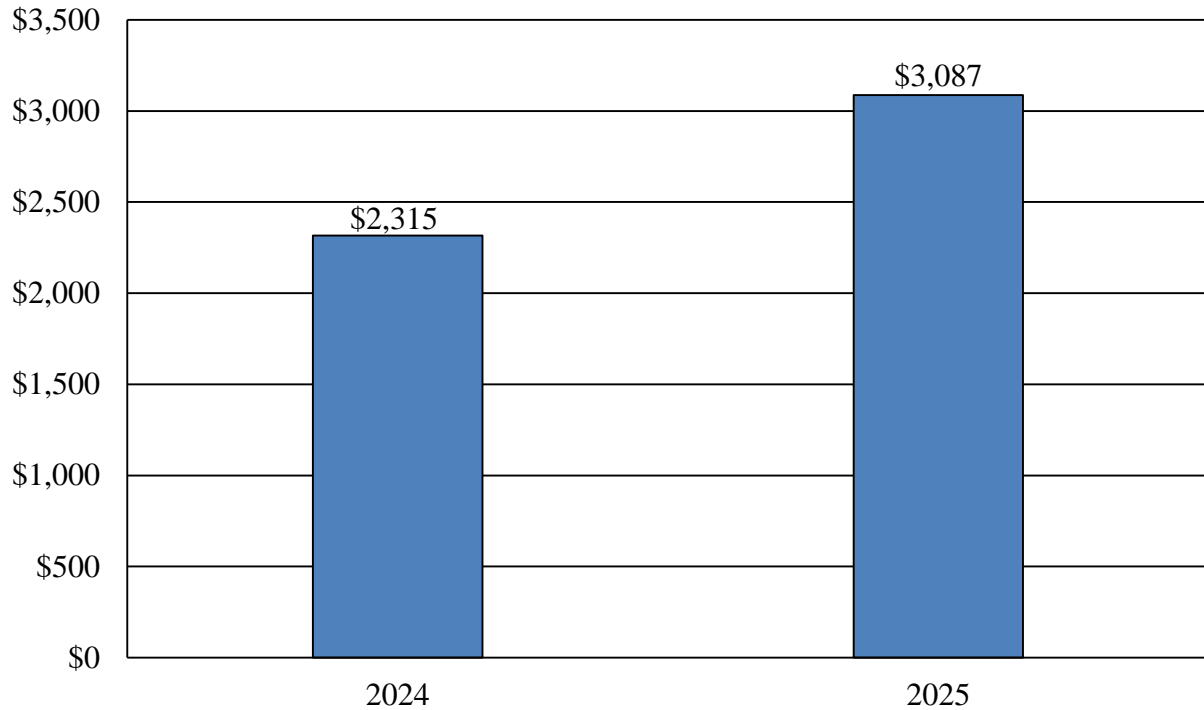


VEIP: Vehicle Emissions Inspection Program

Source: Motor Vehicle Administration

These projected revenue losses are slightly offset by a reduction in expenditures for fewer mailed emissions test reminders. Accounting for the anticipated expenditure reductions, the estimated net revenue reduction in fiscal 2024 is \$2.3 million, and the estimated reduction in fiscal 2025, the first year in which the regulations will be in effect for the entire year, is \$3.1 million, as seen in **Exhibit 9**. The decrease in revenues will impact the TTF, but the loss represents a small portion of yearly revenue collected through the VEIP program. In fiscal 2025, VEIP revenues are projected to total \$37.7 million, up from \$37.0 million projected in fiscal 2024.

**Exhibit 9**  
**Projected Net Revenue Impact of VEIP Changes**  
**Fiscal 2024-2025**  
**(\$ in Thousands)**



VEIP: Vehicle Emissions Inspection Program

Note: Fiscal 2024 revenue impacts include from the effective date of October 4 through the end of the fiscal year (June 30). Projections for fiscal 2025 include the entire fiscal year.

Source: Motor Vehicle Administration

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## Current Status

On September 6, 2023, the Board of Public Works approved a contract modification with the current program vendor, Envirotec Corporation, making necessary changes to implement the new regulations and increasing the contract authority to account for inflation and staffing costs. The original contract with Envirotec expired in 2019 and has been extended numerous times. The current modification ends on November 30, 2024.



The new regulations, including the extended testing exemption for new vehicles with original ownership, went into effect on October 4, 2023. This new regulatory framework was also necessary to solicit a new vendor to administer the program. The request for proposals (RFP) for a new vendor was released on October 3, 2023, and the agency expects to make an award in spring 2024.

The RFP will alter the vendor fee structure from a flat monthly charge to per test fees. MVA anticipates this change, which would not have been possible under the current contract, will be economically beneficial to the State. The regulations also authorize MVA to establish Motorist Assistance Centers (MAC), which will streamline the process for motorists to quickly obtain necessary repairs to their vehicle following testing. As part of their bid, RFP applicants are required to submit a MAC plan to reduce repair waiver rates, increase repair effectiveness, and comprehensively collect vehicle and repair data for further analysis.

**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*.**

## **2. MVA Avoids Closing Branches and Reducing Hours, but Considers Increasing Certain Fees**

In the *Update to the Final 2024-2029 Consolidated Transportation Program*, released in December 2023, MDOT presented proposed cuts to the operating and capital budget of each mode in the department to balance the fiscal 2025 program. However, a one-time general fund infusion to the TTF of \$150 million has allowed MDOT to avoid some of the proposed reductions in fiscal 2025. To further assist in balancing the 2025 program, MDOT anticipates increased revenues from certain fee increases.

### **Changes to Branch Offices**

The anticipated reductions to MVA’s operating budget included a proposal to permanently close the Walnut Hill and Loch Raven/Parkville limited service MVA branch offices and to eliminate Saturday hours and extended Thursday hours at all other branches.

Unlike many full-service locations, Walnut Hill and Loch Raven/Parkville do not offer skills testing for commercial, noncommercial, or motorcycle license applicants. The agency notes that the locations for proposed closure were chosen in an effort to minimize impacts to employees and customers and considered services provided, whether the location is leased or owned, and proximity to other MVA locations. Similarly, the initiative to close branch offices on Saturdays and reduce Thursday hours was proposed due to cost effectiveness: reducing costs for utilities, employee overtime, and security services during these periods would maximize savings for the State. Additional funding anticipated in a supplemental budget is expected to restore \$1.9 million to keep both of these branch offices open and an additional \$1.9 million to maintain current hours at all branches.

Prior to the closure of any State facilities, Section 8-306 of the State Government Article requires agencies to follow certain protocols, including submitting a report to the Governor and General Assembly, and holding a public hearing to solicit comments. Changes in operating hours for a facility are not subject to these stipulations. **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.**

### **Potential Fee Adjustments**

In fiscal 2025, MDOT's financial forecast assumes increased revenues associated with fee adjustments in various modes. Fees collected by MVA, which include license and registration renewals, titling, security interest filings, and specialty tags, are projected to increase by a total of \$40 million. While the increase in revenue is assumed to begin in fiscal 2025, further information is not yet available. MVA's authorization to assess fees and set rates is described in law, regulation, or both, depending on fee type. Any adjustments would proceed through standard statutory or regulatory processes prior to becoming effective.

## ***Operating Budget Recommended Actions***

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1. Concur with Governor's allowance.

## ***PAYGO Budget Recommended Actions***

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1. Concur with Governor's allowance.

## ***Updates***

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### **1. Highway Safety Office Seeks to Combat Worrying Crash Trends**

As annual traffic fatality rates continue to climb, MHSO within MVA has increased its efforts to bring more public awareness to this trend and encourage all motorists to drive more safely. As a coordinating office, MHSO works collaboratively across agencies, including other modes of MDOT, the Maryland State Police, other State agencies, and local governments, to implement highway safety initiatives and leverage federal funding to support these efforts. In April 2023, MHSO launched the Fatal Crash Dashboard, an interactive online tool to view the location, month, and time of fatal motor vehicle crashes throughout the State dating back to 2016. The dashboard also describes the presence of pedestrians, motorists, or motorcycles, and potential contributing factors to each crash, including speed, aggressive driving, or impaired driving.

MVA and MHSO also played an important role in the Work Zone Safety Work Group (WZSWG), which convened in April 2023 following a crash the previous month on I-695 that resulted in the deaths of six of construction workers. The group examined issues surrounding both driver behavior and roadway operations and published a set of recommendations in November 2023. Highway safety and the efforts of WZSWG are discussed in more detail in Issue 2 of the budget analysis J00 – MDOT Overview.

### **2. Modernized Appointments System Continues to Deliver Improved Customer Service**

MVA plans to continue the current appointments system, implemented during the pandemic, due to resulting enhance efficiency and customer service. Customer can schedule their appointment online or via phone. Across all branch offices, MVA had on average 191,252 appointments scheduled per month thus far during fiscal 2024. MVA continues to offer flexible options for customers who did not schedule in advance: same-day appointments can be scheduled online by the customer within one hour of the appointment time or by an MVA agent onsite. When customers arrive onsite without an appointment, MVA agents can schedule the customer for a same-day appointment, depending on availability. Branch offices served an average of 25,000 walk-in appointments per month.

As discussed in the Managing for Results section, wait and visit times are significantly shorter than prior to the pandemic. Thus far in fiscal 2024, the average wait time is 4.6 minutes and nearly 70% of customers are served within 5 minutes of their arrival.

## **Marylanders Inch Towards 100% REAL ID Compliance**

The REAL ID Act implementation deadline, after numerous postponements by the U.S. Department of Homeland Security due to the COVID-19 pandemic, is May 7, 2025. Once the new deadline passes, federal agencies, including the Transportation Security Administration (TSA), will only accept REAL ID-compliant IDs for federal purposes such as entering a federal building or boarding a domestic, commercial airplane flight. Maryland, as a State, has been REAL ID-compliant since calendar 2011, but MVA continues to work toward ensuring that all Maryland residents are compliant ahead of the deadline.

To be considered REAL-ID compliant, a customer must have both a new ID (with the star) and have all the required documents on file with MVA. The agency supports the federal efforts of REAL ID compliance by informing customers of their REAL ID status each time they make a transaction with MVA. As of December 2023, 93% of State-issued ID holders had compliant IDs.

### **3. Digital Driver’s Licenses Now Available For Google Users**

In May 2022, mobile driver’s licenses (mDL) became available for Marylanders to access their drivers’ licenses or ID cards on their Apple devices. In June 2023, Maryland became the first state in the country to extend that capability to Google and Android devices.

When engaging in a transaction that requires identification information, mobile driver’s license holders can use their mDL by navigating to Apple or Google Wallet and tapping the device on a reader. The device will display the specific data points that the transaction is requesting, and the user confirms the transaction before the data is transmitted. Only data needed for the specific transaction will be transferred. For example, if navigating through a TSA security checkpoint at an airport, agents will be able to view the holder’s photo, date of birth, sex, and mDL expiration date. Users do not need to hand their device to an agent to present their information; it is obtained digitally from the scan, similar to the transfer of credit or debit card information when using a mobile wallet in a financial transaction.

Maryland was the second state in the country to enable drivers to access digital drivers’ licenses on their mobile devices, following the passage of Chapter 142 of 2019, which authorized MVA to issue electronic credentials in addition to a physical license or ID card. Mobile driver’s licenses do not replace original identification issued by MVA, and users should continue to carry physical identifications due to the limited circumstances under which mDLs are currently accepted. The program is voluntary, and users that do not wish to have a mDL can simply take no action. The process of adding an mDL to a device includes taking photos of the physical ID and taking an additional identification photo. MVA verifies the information prior to issuing a mDL.

As of December 2023, 24 airports around the country, including Baltimore/Washington International Thurgood Marshall International Airport (BWI Marshall) and Ronald Reagan Washington National Airport, are accepting Apple Wallet and Google Wallet mDLs for identity

*J00E00 – MDOT – Motor Vehicle Administration*

verification at security checkpoints. Currently, local law enforcement does not accept mobile IDs. If the use of the readers becomes more universal, other transactions where identity information is required may be able to accept mDLs, including liquor store purchases or routine stops by law enforcement personnel. TSA personnel at BWI Marshall have 34 devices capable of reading mDLs, with 32 of these deployed at select TSA PreCheck and standard security lines.

**Appendix 1**  
**2023 Joint Chairmen’s Report Responses from Agency**

The 2023 *Joint Chairmen’s Report* (JCR) requested that MVA prepare one report. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Bicycle and Pedestrian Safety:*** The 2023 JCR requested that MVA prepare a report on bicycle and pedestrian safety in coordination with the Secretary’s Office. The report summarized initiatives that address these issues and included data on pedestrian and bicycle incidents by jurisdiction, noting those that resulted in serious injuries or fatalities. As required, the response also assessed funding levels for the Kim Lamphier Bikeways Program and the placement of the Vision Zero coordinator and MHSO within MVA. MHSO is discussed in more detail in the updates section of this analysis.

**Appendix 2**  
**Budget Amendments for Fiscal 2024**  
**Maryland Department of Transportation**  
**Motor Vehicle Administration**

**Operating**

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Approved	\$2,713,000	Special	Increase to sustain operations for the Motor Vehicle Administration.

**Capital**

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Projected	-\$434,659	Special	Adjust the appropriation to agree with the anticipated expenditures for the current year as reflected in MDOT Final Fiscal 2024-2029 CTP.



**Appendix 3  
Object/Fund Difference Report  
MDOT– Motor Vehicle Administration**

<u>Object/Fund</u>	<u>FY 23 Actual</u>	<u>FY 24 Working Appropriation</u>	<u>FY 25 Allowance</u>	<u>FY 24 - FY 25 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	1,701.50	1,701.50	1,701.50	0.00	0%
02 Contractual	4.45	7.00	7.00	0.00	0%
<b>Total Positions</b>	<b>1,705.95</b>	<b>1,708.50</b>	<b>1,708.50</b>	<b>0.00</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 140,080,707	\$ 148,881,028	\$ 146,416,945	-\$ 2,464,083	-1.7%
02 Technical and Special Fees	359,915	490,656	546,275	55,619	11.3%
03 Communication	8,391,993	8,704,976	6,832,769	-1,872,207	-21.5%
04 Travel	224,462	160,215	164,009	3,794	2.4%
06 Fuel and Utilities	2,304,801	2,201,593	2,184,048	-17,545	-0.8%
07 Motor Vehicles	593,518	367,402	451,226	83,824	22.8%
08 Contractual Services	48,940,052	50,759,341	48,348,346	-2,410,995	-4.7%
09 Supplies and Materials	1,177,395	1,158,932	1,107,513	-51,419	-4.4%
10 Equipment – Replacement	69,895	62,608	62,364	-244	-0.4%
11 Equipment – Additional	23,705	44,852	44,852	0	0%
12 Grants, Subsidies, and Contributions	5,316,895	9,671,314	9,671,313	-1	0%
13 Fixed Charges	11,439,150	10,241,131	10,722,555	481,424	4.7%
<b>Total Objects</b>	<b>\$ 218,922,488</b>	<b>\$ 232,744,048</b>	<b>\$ 226,552,215</b>	<b>-\$ 6,191,833</b>	<b>-2.7%</b>
<b>Funds</b>					
03 Special Fund	\$ 209,555,107	\$ 218,917,932	\$ 213,267,015	-\$ 5,650,917	-2.6%
05 Federal Fund	9,367,381	13,826,116	13,285,200	-540,916	-3.9%
<b>Total Funds</b>	<b>\$ 218,922,488</b>	<b>\$ 232,744,048</b>	<b>\$ 226,552,215</b>	<b>-\$ 6,191,833</b>	<b>-2.7%</b>

MDOT: Maryland Department of Transportation

Note: The fiscal 2024 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2025 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 4**  
**Fiscal Summary**  
**MDOT – Motor Vehicle Administration**

<u>Program/Unit</u>	<u>FY 23 Actual</u>	<u>FY 24 Wrk Approp</u>	<u>FY 25 Allowance</u>	<u>Change</u>	<u>FY 24 - FY 25 % Change</u>
01 Motor Vehicle Operations	\$ 207,436,916	\$ 216,477,708	\$ 210,525,395	-\$ 5,952,313	-2.7%
03 Facilities and Capital Equipment	16,739,014	27,796,312	20,559,016	-7,237,296	-26.0%
04 Maryland Highway Safety Office	11,485,572	16,266,340	16,026,820	-239,520	-1.5%
08 Major Information Technology Development	6,037,972	7,013,808	1,250,000	-5,763,808	-82.2%
<b>Total Expenditures</b>	<b>\$ 241,699,474</b>	<b>\$ 267,554,168</b>	<b>\$ 248,361,231</b>	<b>-\$ 19,192,937</b>	<b>-7.2%</b>
Special Fund	\$ 232,332,093	\$ 253,728,052	\$ 235,076,031	-\$ 18,652,021	-7.4%
Federal Fund	9,367,381	13,826,116	13,285,200	-540,916	-3.9%
<b>Total Appropriations</b>	<b>\$ 241,699,474</b>	<b>\$ 267,554,168</b>	<b>\$ 248,361,231</b>	<b>-\$ 19,192,937</b>	<b>-7.2%</b>

Note: The fiscal 2024 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2025 allowance does not include contingent reductions or cost-of-living adjustments.