DATE:　　　　April 7, 2025

TO:　　　　Joint Committee on Transportation

FROM:　　　Amy Joyce, DMV Administrator

SUBJECT:　　SB 9 – Drive Test Priority for Rural Counties

INTRODUCTION

Proof of driving skill is required for Oregonians obtaining their first driver license or those whose license has been expired more than two years. The most frequent driving test customers are teens. A teen can complete a skills test at DMV or with a third-party provider authorized by DMV to conduct skills tests. A teen can have the skills test requirement waived by completing an ODOT approved teen driver education class, because the exam to pass that class is more rigorous than the skills tests performed by DMV or a third-party provider.

DMV has authorized six third-party testing companies to conduct tests across the state, and they operate in most counties, though not all. DMV works with those providers to expand their offerings where needed, such as by increasing the number of tests one day per month in a small town that is not otherwise served. Typically, in areas where tests are offered regularly, third-party testers' wait time for a customer to get a drive test is ten days or less.

DISCUSSION

Senate Bill 9 requires DMV field offices in 20 Oregon counties to prioritize requests for drive tests from residents living in the same county or within 50 miles of one of those counties' field offices.

Currently, DMV offers drive tests, by appointment only, in 16 of the 20 counties listed in SB 9. The four counties that do not offer drive tests are unable to do so due to limited staffing and office hours. As written, this bill does not require DMV to begin offering drive tests at DMV offices that do not currently offer them or to expand the number of drive test appointments currently available. Nor does it require that tests be given within a certain timeframe. The only requirement is scheduling preference for local customers.

Several years ago, DMV explored the idea of prioritizing appointments by residential zip code to assist customers in accessing their local DMV. The computer programming proved very challenging, and the idea was not pursued further. To implement this bill, DMV would need to

re-visit that effort, which, based on the earlier attempt, will be expensive and overtake other prioritized IT efforts focused on compliance with federal law, core DMV operations, etc.[1]

The primary factor limiting DMV drive test availability—which is an issue across the state even though it has unique impacts in rural communities—is staffing constraints. DMV can only hire as many positions as it is allotted in ODOT's legislatively-approved budget.

Many of the field offices in the counties listed in this bill are staffed by a small number of employees—as few as one or two—and some locations have limited hours. Even if local residents are prioritized for testing, current staffing levels will continue to limit the number of testing appointments available. Oregon DMV's total number of budgeted positions for traditional DMV duties is essentially the same as it was in the 1999-2001 biennium. Yet, in those 25 years, Oregon's population has grown by about 1 million people, nearly all of whom need DMV services at some point.

Staffing shortages are routine for DMV and have been for some time due to ODOT's structural revenue issue—a challenge facing transportation agencies across Oregon. When there are planned and unplanned absences in offices, DMV must send relief from another location. Too often, that relief is unavailable because the surrounding offices also are below minimum staffing levels. When that happens, DMV is forced to close an office because it doesn't have the minimum staff needed to serve customers. The agency is actively recruiting for open positions, but DMV can't hire beyond what is currently budgeted.

Governor Kotek's 2023-2025 budget would address ODOT's structural revenue issue by providing additional funding for the agency. If approved, this funding would prevent deep cuts to services ODOT provides to Oregonians; improve service through additional investments in maintenance, the DMV, and other critical work; and allow the agency to invest in preserving and improving the transportation system.

Governor Kotek's budget includes an additional roughly $80 million per biennium for DMV to improve customer service. With that level of funding, DMV could add frontline staff to fill every counter and have back-ups to accommodate employees' earned time off. It would also allow us to expand hours or days of service in offices where those have been reduced and where it makes sense based on customer volume.

DMV is also exploring other options to increase access to skills testing, including encouraging third-party testers to consider serving smaller communities on a limited basis, for example, for one day per month. Additionally, DMV is exploring options to assist in standing up Teen Driver Education in some of these areas.

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[1] See Addendum A for a summary of DMV's current IT projects along with a brief overview of each.

CONCLUSION

Oregonians must demonstrate sufficient driving skills to obtain a license. One way to accomplish this is by taking a drive test. This bill intends to prioritize access to DMV drive tests in designated DMV field offices for customers residing in rural counties.

This measure may not result in these customers being able to schedule a test any more quickly than they can today. Limited staffing and hours of operation have a much greater impact on drive test availability in rural counties than do individuals from outside the area who schedule drive tests for these locations. Demand for DMV services has increased throughout the state while the total number of budgeted staff has remained stagnant for roughly 25 years. This makes it difficult for Oregonians living in highly populated areas and rural counties alike to obtain services such as drive tests.

Passage of Governor Kotek's 2023-2025 budget would allow DMV to fully staff offices and expand office hours in all parts of Oregon, including rural counties. DMV would then be able to better serve all Oregonians in a timely and efficient manner, whether they are seeking a drive test or other offered services.

Addendum A: DMV Information Technology Projects

Prioritized Projects

1. **Remittance Processor Replacement** – Replaces the technology that allows DMV to electronically process checks received for mail-in vehicle registration renewals. The contract for the current technology expired and cannot be renewed so a new solution is required.
2. **STP Kiosks** – Sets up self-service kiosks throughout the state that provide DMV products and services that customers can use to perform transactions. Kiosks will be installed in grocery stores and available days, nights, and weekends.
3. **Real ID Scanner Replacement** – Replaces Real ID scanners in DMV's 59 field offices, as the current ones are almost out of warranty and need to be replaced. Received authorization in the 2024 legislative session to use existing Real ID fee dollars for replacement; Real ID enforcement begins May 7, 2025.
4. **AI Watson Replacement** – Replaces DMV's current AI system, improving DMV's ability to use AI to help answer phone inquiries and provides automated webchat. Current system/contract expires on June 30, 2025, with no opportunity to extend.
5. **OLIVR Core 21** – Updates the core system, Oregon License and Vehicle Registration (OLIVR), that runs all DMV's products and services. Allows DMV to stay current with the vendor's enhancements and improvements. Moves the system to more modern technology.
6. **Portable DMV (DMV2GO)** – Creates a DMV portable photo service to people exiting state institutional settings without an updated or valid ID, which would then create more opportunities to become eligible for housing, including state-funded supportive housing, immediately upon release or discharge.
7. **Electronic Lien Project (State Requirement - HB 3080 [2023])** – Allows Security Interest Holders to record, manage, and release interest through a central third-party system without the need to produce a paper title.
8. **eSignature / eCertification** – Makes more services available online like requesting a hardship permit to drive and allowing for customer online Crash reporting.
9. **Electronic Vehicle Registration (EVR) Expansion** – Allows entities like lending institutions and out-of-state vehicle dealers to use an electronic title application process and other services through a third-party EVR vendor, which is currently only available to in-state vehicle dealers.
10. **Driver License/ ID System Replacement Project** – Procure and implement a system that will take photos and apply data to driver licenses and identification (DL/ID) cards.

The project also includes production and central issuance of DL/ID cards as well and one-to-one (1:1) and one-to-many (1:N) biometric verification.

11. **SPEXS 6.4 (Federal Requirement)** – Allows Oregon DMV to share information with other states utilizing State Pointer Exchange Services (SPEXS), an AAMVA web application that monitors driver convictions and other data of licensed drivers. Required.

12. **Infrastructure Pending Veridos PCS HW Replacement & OS Upgrade (Vendor Requirement)** – Upgrades the photo capture station's hardware and software in the 59 DMV field offices.

Projects on Hold

- **Field Office Wi-Fi** – Allows DMV staff to use a wireless network connection to better serve customers in the 59 DMV field offices.

Projects Pending Prioritization

- **Crash Data System Replacement –** Assists the ODOT Crash Analysis and Reporting Unit with a system replacement to improve speed and quality of crash data to make better safety decisions.

Category	Rank	Status	Initiative Name	Contact	Start Date	End Date	Extended End Date	2025	2026	Comments
IT Rel Project	1	Active	Remittance Processor Replacement Project	Ben Garvey	06/09/22	06/30/25				Operational deadline 06/30/25
IT Rel Project	2	Active	STP - Kiosks Project	Tim Gourley	09/01/20	04/15/25	06/15/25			
Infrastructure	3	Active	REAL ID Scanner Replacement	Ben Garvey / Gary Woods	10/01/24	08/31/25	10/31/25			Must purchase equipment this biennium
IT Rel Project	4	Active	AI Watson Replacement Project	Russell Nicolai	01/01/25	08/29/25				Operational deadline 06/30/25
Infrastructure	5	Active	OLIVR Core 21 Upgrade	Ben Garvey	05/01/25	09/30/26				Major system upgrade
IT Rel Project	6	Active	Portable DMV (DMV2GO)	Tim Gourley	03/03/25	01/31/26				POP specified deadline 01/01/26
IT Rel Project	7	Active	Electronic Lien Project (HB 3080)	Patrick Marcinko	08/28/24	10/28/26				State compliance by 01/01/27
IT Rel Project	8	Active	eSignatures/eCertification Special Initiative	Jefre Schmitz	05/01/22	08/01/23	04/30/25			Special initiative vs. a project
IT Rel Project	9	Active	EVR Expansion Project	Rupali Mahajan	05/12/22	12/31/25				
IT Rel Project	10	Active	DL/ID System Replacement Project	Patrick Marcinko	03/01/25	10/31/28				Rank to be reassessed following procurement
IT Rel Project	11	Active	SPEXS/S2S 6.4 Implementation Project	Russell Nicolai	12/01/23	10/10/25				Federal compliance 06/25/25
Infrastructure	12	Active	Veridos PCS Hardware Replacement	Jose Menjivar	12/16/24	08/31/25				
IT Rel Project	13	StageGate4	Safety Grants Management Repl System Project	Rupali Mahajan	11/01/20	10/08/24	03/31/25			Stage Gate 4 closure tasks in progress
IT Rel Project		Active	Crash Data System Replacement (CDSR) Project	Jefre Schmitz	02/01/24	06/30/27	06/30/28			CAR Unit led project w/ DMV support
IT Rel Project		On Hold	Field Office WiFi Project	Dave McKay	04/01/23	TBD				Lack of resources available
Legislation		Pending	Bills from 2025 Session with OLIVR impacts	Steve Palomo	08/01/25	01/01/26				Includes new plate implementations
Legislation		Pending	Bills from 2026 Session with OLIVR impacts	Steve Palomo	08/01/26	01/01/27				Includes new plate implementations

Note - The initiatives in the matrix above are sorted by rank, then category, then status, then start date, then by the initiative name (if necessary).
Note - The information presented in this document is sourced from IS Project Status Reports, Proposal - Part 2s, Service Group Managers, IS Managers, the Senior Analyst, and the Systems Manager.

Legend:

Category - Applicable IT work category for the initiative (see Types of IT Work webpage):
  Blank - Uncategorized
  IT Rel Project - IT Related Project
  Infrastructure - Infrastructure Initiative
  Legislation - The collective implementation of legislation passed in a session.
Rank - Relative ranking assigned by the UC for an IT Related Project or Infrastructure Initiative (if one).
Status - Current status of the initiative:
  Active - Initiative has been authorized to launched.
  Listed - Initiative has been identified but the initiation process has not been started yet.
  On Hold - Initiative is temporarily paused.
  Pending - Initiative is in the process of being initiated.
Initiative Name - Name or description of the initiative.
  Green Shading - Should not be impacted by OLIVR Core 21 parallel development or core freeze.
  Pink Shading - Will be impacted by OLIVR Core 21 parallel development and/or code freeze.

Contact - Name of the individual leading or representing the initiative.
Start Date - Date the initiative is to be or was launched.
End Date - Date the initiative is to be or was completed.
Extended End Date - Date beyond the current approved schedule when the work is more likely to be completed.
Year/Month Gantt Chart:
  Extended - Period of likely extended work.
  Scheduled - Period of scheduled work.
  Targeted - Period of targeted future work.
  On Hold - Period of inactivity.
  ▲ Current Month - Period currently underway.
OLIVR Core 21 Portfolio Impacts:
  Parallel Development - Period of coding in V12 (Visual Basic) and Core 21 (C#) from June 2025 thru May 2026.
  Code Freeze - Period of no OLIVR code changes from June thru July 2026.