



Budget Fact Sheet – Fiscal Year 2020

Background

The Michigan Department of State (MDOS) is responsible for administering driver licensing and vehicle registration and monitoring driver performance. The department oversees 30 million vehicle records and process nearly 10 million vehicle registrations. MDOS delivers these services to our customers throughout the state via our branch offices, self-service terminals, renewal by mail or ExpressSOS.com. MDOS is responsible for driver education and testing, and traffic safety awareness. MDOS oversees the statewide elections process and ensures compliance with state campaign finance laws.

Revenue and Budget

MDOS collects almost \$3 billion annually. We distribute over \$2.8 billion annually, including \$2.1 billion for roads and education in fiscal year 2018. Over the last 5 years, approximately 9% of our revenue was used for operations.

FY 2020

This year the Governor’s FY 2020 recommendation includes \$255,209,600 for MDOS. Current Services Baseline Adjustments include:

Motorcycle Safety and Awareness Fund Authorization	\$300,000
Elections Compliance Core Systems Contract Increase	\$200,000
Branch Related Rate Increases	\$830,000
Standard Economic Adjustments	\$2,600,200
<i>(\$423,300 GF/GP; \$2,176,900 Restricted)</i>	

Special Note for the FY 2020 budget

The Michigan constitution is amended to include an Independent Citizens Redistricting Commission. The constitution requires a minimum of 25% of MDOS general fund budget (\$4.6 Million) to be appropriated to fund the commission no later than December 1, 2019. The commission, which must be selected by September 2020, holds sole spending authority for this money. Unexpended money must be returned at the end of each FY.

Sample budget only, specifics to be determined by commission	
Commission data and software, staff support	\$1 million
Commissioner stipends	\$600,000
MCRC staff (to be hired by commissioners)	\$1 million
Commissioner education programming	\$500,000
Commissioner travel and related expenses	\$500,000
Town hall and public engagement support	\$500,000
Administrative support and staff (legal, mapmaking, data analysis)	\$500,000

FY 2019 Supplemental Budget Request to re-appropriate money from 2016

MDOS has a request before the legislature to re-appropriate \$5 million in work project money from PA 268 of 2015. This isn't new money, but MDOS needs authority to spend it now that the previous purpose has been eliminated by constitutional amendment.

Automatic voter registration implementation and education	\$1.5 million
No-reason absentee voting implementation and education	\$1.5 million
Citizens Redistricting - Application: Public engagement and education	\$500,000
Citizens Redistricting - Application development, dissemination and collection	\$750,000
Citizens Redistricting - Commissioner selection process (software, statistician, etc.)	\$750,000

Additional Budget Proposals: Critical Need

Security Camera Program – \$1 million

In 2017 the Auditor General expressed concern that the about the lack of timely maintenance necessary to limit surveillance interruptions. Branch fraud cases have increased by 21 and branch customer incidents have increased by 44. MDOS seeks funding to replace current cameras over the next 3 years and provide remote access to our investigators. This is a critical need to increase security and protection for our customers, staff and assets.

Mobile Office Expansion – \$1.3 million

MDOS currently has only one mobile office to cover the entire state. This branch on wheels covers public events, facilitates IDs provided in partnership with MDOC and MDHHS, and assists during various emergencies that compromise office operations. This is a critical need to provide a mobile office in each of our 8 districts around the state.

Building Renovation and Addition – \$49.9 million

MDOS currently has over 340 employees working in an old warehouse converted to office space. This building has exceeded life expectancy by over 25 years. There are mechanical failures and maintenance issues weekly and fire suppression in only 1/3 of building where we have over 1 million pieces of paper in one section alone. This is a critical need and has been ranked number 1 on DTMB's capital outlay request.

Attached are charts to provide further information on MDOS operations.