JTC Study on Vehicle Registration and Titling
Summary of Discussion (DRAFT)---County Auditors / JTC Study Staff
July 22, 2014, 1:30-3:00

Participants:
<u>County Auditors and Auditor staff:</u> Thad Duvall (Douglas); Carolyn Weikel (Snohomish); Brenda Chilton (Benton); Joyce Turner and Heather Hirotaka (Thurston);
<u>Study staff:</u> Gene Baxstrom and Mary Fleckenstein (JTC); Amanda Cecil (STC); Jerry Long (HTC); Veronica Jarvis (OFM)

Comments by Auditors and Auditor staff:

1. Paper work and processing:
   a) Some counties are scanning but not all have the capability to do so (issue of staffing? Equipment?)   Document storage is a major issue in some counties, but not in others.
   b) If a county has a lot of subagents, it may not be feasible to scan their reports. With the current VFS system, subagent reports are mailed to the Auditor, who has scanning responsibility. Tech Mod may allow for alternatives.
   c) Benton Auditor scans documents that are it is required to retain in the office, but title work is still mailed. Suggested a pilot program to explore options to scan title work rather than mail.
   d) What docs does DOL <u>require</u> in hard copy because they're legal documents, and which could instead be scanned? Do the legal documents <u>have</u> to be in hard copy?   DOL may not be concerned with getting the legal docs because once a % of them are verified and DOL images them, they're shredded.
   e) Would like to see subagent daily work digitized; saves on storage & archiving costs. Responsibility of Auditor under VFS system, but Tech Mod may allow for alternatives.
   f) What works in one office may not work in another, so provide options, not mandates (for example, Snohomish has a lot of room for doc storage, while Benton does not)

2. DOL/Auditor/Subagent relations:

a) Audits done by DOL cover different topics than audits done by County Auditor. Not much overlap.   Financial audit (county) vs. accountability audit (state) The Auditors provide broader ongoing oversight and review of the subagents, which may include annual review. Oversight includes title documentation review, inventory control, use tax collection monitoring, general customer service interactions, training tools, and reconciliation of fund collection. DOL audits are periodic and cover a specified time frame.

b) DOL, Auditors and Subagents have knowledge of the VFS system and share certain common objectives for public service. Each, however, has a different set of external pressures. Therefore, the need for regular in-person visits is paramount.

c) DOL doesn't have the resources to manage subagents; they don't even have enough resources to review all the title work. So Auditors do review subagent work. Each Auditor has determined the level of review that is necessary for the subagent in their county.

d) As a form of risk management, State has passed on liability to the County for subagent errors. DOL is made whole if subagent absconds with money. So, if DOL has to supervise all subagents, they're assuming all the associated risks.

3. **TechMod:**

a) Not clear what role of Auditors will be in system development.

b) *Study staff has asked DOL about this and they are providing an explanation of anticipated Auditor involvement*

c) *The DOL is asking counties to provide two individuals who will work at DOL to provide technical and experiential advice on the TechMod project for a period of several months. It is also anticipated that the Auditor representatives will sit on the committee that reviews the vendor RFP responses for the new VFS. In addition, DOL is in the process of organizing regional meetings across the state to obtain local feedback from counties and subagents.*

4. **Process Improvement:**

a) Want more face-to-face training from DOL, but realize it's a budget issue

b) Thurston County gets DOL to come to their semi-annual subagent training because they're right in Olympia.

c) A challenge: when to train, because it requires them to shut down their licensing operations during that period of time. In Benton, one day a year the Auditor's office closes for training, and suggests customers instead go to subagent offices.

d) Variations of training among Auditors and the county's subagents.

e) HB 1632, enacted in 2013 (WheeledATV) doesn't work for Auditor and law enforcement. DOL has found a work-a-round but currently system constraints don't allow for inventory issuance.

f) DOL requires a <u>legal</u> signature to release a title (if name is Robert, can't sign Bob). Challenging in, for example, in Hispanic populations, which often use varying forms of a multiple last name.   Not same concern for signing ballots; people can sign Bob Smith even if registered Robert Smith). DOL worked with the Auditors to find solutions to this specific issue, although there are still some remaining issues on the name configuration.

This is an example of when sometimes RCW or WAC puts unmanageable restrictions on the processes.

g) Who has imposed the regulation that DOL registrations and titling documents must use USPS and not UPS or some other conveyance?

5. **DOL Support for Subagents and Auditors:**

a) DOL's support phone line staff isn't consistently well trained, and delivers inconsistent responses from one DOL staffer to another.

Comments from other meetings with County Auditors and staff:

a) With Tech Mod, agents could scan and upload information into system and accept electronic payments. Eliminates handling and mailing of documents. For example, it could reduce $50 cost of Quick Title.

b) Allow each agent/subagent to own and fix their own computers.

c) Allow auto dealers to issue licenses, since plates are now replaced when vehicle is sold.

d) See a future for technology such as a bar code affixed to vehicle to simplify renewals, eliminate tabs, process tolls, count vehicle miles traveled, etc.

e) Lack of a uniform standard on how Auditors supervise subagents is a problem. This can be difficult for smaller counties.

f) Take Auditors out of the supervisory role over Subagents

g) Titling work should be public (Auditors) or private (subagents) but not both

h) Eliminate hardware tethered to DOL licensing system and conform new system to network portals