

Kansas Department of Revenue
Chief Information Officer Kevin Cronister
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Legislative Testimony

To: Joint Committee on Information Technology
Subject: DMV Modernization Project Update

Chairman Petersen, Vice Chairman Burgess, and committee members, thank you for this opportunity to provide an update on the state's new motor vehicle system.

As Director of Vehicles Donna Shelite shared with this committee in May, the DMV Modernization Project is divided into two parts. Phase I consists of the motor vehicle registration system used by county treasurers, and Phase II contains the driver record and issuance verification system to be used by the driver's license examiners in our state vehicle offices.

About seven months ago, we deployed the first phase of the new motor vehicle system, beginning this significant, once-in-25-years conversion.

It has been well documented and discussed that we experienced technical glitches and challenges with the new system in May and June.

In addition to technical problems during that timeframe, system users were getting acclimated to a new system, while also processing more transactions than normal due to county offices being closed for vehicle related business the first week of May for the system switchover and conversion of 6.8 million records.

The good news is that, in the July through November timeframe, we have benefited from significant improvements in system stability and performance. At the same time, system users have grown much more familiar with the new technology and processes, and transaction numbers have returned to more normal levels as the May backlog has been eliminated.

There are many factors that impact customers' experiences when they renew their tags or apply for a title, but, for a moment, let's focus on data related solely to the output of the new computer system.

In November, more than 217,000 renewals were processed, and more than 54,000 titles were completed. The number of titles processed last month was up 4.5 percent over November 2011.

As of the end of November, more than 2 million renewals and titles had been processed successfully in the new system and 2.7 million total transactions have been completed.

It's important to note that counties and the state worked hard to achieve these high transaction numbers, and, in some cases, those extra efforts would not be sustainable over the long term. This is where context and understanding regarding the May-June and July-November timeframes is critical.

Moving forward, some of the efficiencies and benefits of the new motor vehicle system include:

- County treasurer offices are no longer required to assemble and mail batches of daily work in to the state.
- Title applications can now be approved directly by counties.
- Real-time access to vehicle information is now available to law enforcement, as is 60-day permit information.

Perhaps most importantly, we are building a system with modern technology to replace an old system that most IT professionals could no longer service because it was so outmoded.

Around 2007, county treasurers recognized that Kansas' vehicle system was among the oldest in the nation, and they were concerned, as was the Division of Vehicles, that the decades-old technology was becoming increasingly difficult to maintain and enhance.

Metaphorically speaking, there's only so much duct tape and string that can be used to keep an old system going. This is particularly true in the world of technology in which five years can be an eternity, let alone 25 years.

Further, the old system had inherent limitations and flaws such as allowing county users to force through incomplete or incorrect vehicle registration records that, for many years, have created problems for everyone – including citizens, counties, and the state.

So while a system conversion of this magnitude is never without challenges, it was necessary, and the legislature wisely approved this modernization project.

The goal is to replace three mainframe software systems with a single, integrated system that puts our customers at the center of all transactions. The new system will:

- Eliminate many variations of "exceptions to the rule" in 105 different counties, providing data with the integrity and uniformity one would expect in a statewide system. This will end a practice in the old system in which users could force through incomplete records that caused inefficiencies, inconsistencies, and customer delays, sometimes for years after the forced transactions were performed.
- Allow print-on-demand decals that make it easier for county treasurer and state offices to manage inventory with significantly less handling.
- Eliminate manual, paper-driven procedures that were adopted to complete routine tasks when existing technology could not keep pace with changing business processes. For example, counties are no longer required to regularly sort and ship boxes of vehicle records to the state to be microfilmed, another outmoded technology.
- Reduce fraud and theft.
- Replace the dated, batch-process based system with a system that provides accurate information when users and customers need it. This will provide the ability to receive and process, in real time, data from external sources such as lien holders, electronic funds transfer, proof of insurance, and accident reports.

Today, Revenue and 3M's teams are testing against the established acceptance criteria, developing training material, and continuing to perform data conversion fixes in anticipation of the implementation of the second phase of the project next year. We also are adapting the system to implement new legislation affecting vehicle registrations and Wildlife and Parks permits.

KDOR and 3M are jointly working together to establish an adjusted implementation date for the second and final phase of the project that will factor in all stakeholder needs. The project timeline will be adjusted, even as we remain within budget because the fixed-price contract with 3M is deliverables based.

A very important takeaway at this juncture is that perception often lags reality. While we still are making the new system even better for all who use it, the experience of May and June was very different from that of July through November.

We are striving to build on the progress achieved to date, and with 2.7 million transactions completed in the new system, I am optimistic we will succeed in delivering a system that will serve Kansans well for decades to come.

I personally reiterate our commitment to helping counties succeed as we bring the Division of Vehicles into the 21st century. Thank you to everyone who has worked on this enormous and important undertaking.