



Department of the Secretary of State Bureau of Motor Vehicles

Shenna Bellows
Secretary of State

Catherine Curtis
Deputy Secretary of State

JOINT STANDING COMMITTEE ON TRANSPORTATION

L.D. 274, An Act Making Unified Appropriations and Allocations from the Highway Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026, and June 30, 2027

Shenna Bellows, Secretary of State

Department of the Secretary of State, Bureau of Motor Vehicles

Date 3/11/2025

Senator Nangle, Representative Crafts, and Members of the Joint Standing Committee on Transportation, my name is Shenna Bellows. I am the Secretary of State, and I reside in Manchester. I am here today to present testimony in support of those items presented in the 2026-2027 Biennial Budget for the Department of the Secretary of State.

As you know, the Bureau of Motor Vehicles (BMV) was established to provide for better regulation of traffic through the administration of laws relating to the operation of motor vehicles. The Bureau has grown considerably over the years and has the responsibility of licensing and monitoring drivers, renewing licenses and IDs, registering and titling vehicles, licensing driver education schools and instructors, licensing vehicle and trailer dealers and managing all motor carrier programs. The Bureau provides services at the main office in Augusta, 13 branch office locations, 23 testing CDL locations, 16 non-commercial examination locations, and through a suite of online services. Additionally, 516 municipalities and 12 non-governmental agents offer registration services.

Our Department goal is to deliver high-quality customer services as efficiently as possible while adapting to the rising cost of doing business. The initiatives before you fall into three categories: technology modernization, investment in human resources and costs of doing business. These initiatives are critical to achieving our four strategic objectives: creating a positive, customer-centric experience; empowering exceptional employees who drive that experience; engineering trusted technologies; and contributing to roadway safety. Strategic investments in our workforce and infrastructure will allow us to meet the growing demands of our constituents while maintaining fiscal responsibility.

Department information begins on page 30 of the **Budget Document**.

Administration – Motor Vehicles 0077

Ref. #: 83 Provides funding for the approved reorganization of 2 Accounting Assistant Technician positions to 2 Accounting Associate II positions and provides funding for related All Other costs. The Personal Services request is **\$10,430 in FY 2025-26** and **\$8,031 in FY2026-27**. The All Other request is **\$452 in FY 2025-26** and **\$351 in FY2026-27**.

This management-initiated reorganization of 2 Accounting Assistant Technician positions to 2 Accounting Associate II positions was approved by the Bureau of Human Resources on 2/9/2024.

Ref. #:84 Provides funding for increases in contract expenses for the drivers license written examinations and scoring software for road tests in the field. The All Other request is **\$82,915 in FY 2025-26 and \$82,915 in FY2026-27.**

We would like to withdraw this initiative; it has been determined that the cost will be lower, which can be absorbed.

Ref. #: 85 Provides funding for increases in contract expenses for issuing driver license and state identification credentials. The All Other request is **\$147,194 in FY 2025-26 and \$663,622 in FY2026-27.** A corresponding request is in the Supplemental Budget for fiscal year 2024-25.

These costs reflect contractually obligated increases in credential manufacture and production through the vendor; increases in the number of credentials issued annually; and increased credential mailing expenses. For FY25-26 the costs reflect an increase in the number of driver licenses and state IDs that are issued. We pay a per card cost plus postage to mail it directly from the vendor. The increase is from about 300,000 to 330,000 cards per year per year. For FY26-27, the initiative reflects an increase in the per card cost for all 330,000 cards we will issue. The contract with the Idemia, signed in 2018, required a built-in increase in the cost per card in FY 26-27 from \$2.00 a card to \$3.50 per card, almost double the per card costs plus the mailing costs we pay to the vendor and STACAP. We will go out to bid for a new contract in FY28.

Ref. #86 Provides funding for increases in vehicle lease expenses. The All Other request is **\$99,546 in FY 2025-26 and \$111,736 in FY2026-27.**

Several State issued vehicles used by Bureau of Motor Vehicle (BMV) have met or exceeded the standard replacement mileage of 120,000 miles. This request totals the change in cost from current vehicles in use and the cost of their replacements. This replaces 20 vehicles in a two-year period; 8 are Law Enforcement vehicles, 7 are for driver license examiners, 3 used by our branch offices staff and 1 pool vehicle located in Augusta.

Ref. #: 87 Provides funding for administrative and branch office updates for ergonomic equipment, security cameras and accessibility improvements. The All Other request is **\$260,823 in FY 2025-26 and \$329,596 in FY2026-27.**

This initiative strengthens the security at branch offices and increases public accessibility. Specifically, the initiative would add security cameras to cover current blind spots within the branch offices and in their parking lots; install adjustable counter tops to be used by customers in wheelchairs; improve accessibility inside the branch offices to meet ADA requirements; provide sound abatement panels between customers at the service windows to protect customer privacy; relocate the information booths in some lobbies to improve customer flow; and make ergonomic improvements to the employee's workstations to reduce the risk of worker compensation claims.

Ref. #: 88 Provides funding for increases in building rent expenses. The All Other request is **\$92,760 in FY 2025-26 and \$100,099 in FY2026-27.**

There are several pending increases to branch office leases. This initiative provides for planned contractual increases on lease renewals in our Rockland, Kennebunk, Springvale, Portland and Scarborough branch offices.

Ref. #: 89 Establishes one Hearings Officer position and one Secretary Associate position and provides funding for related All Other costs. The Personal Services request is **\$200,937 in FY 2025-26** and **\$216,622 in FY2026-27**. The All Other request is **\$8,699 in FY 2025-26** and **\$9,378 in FY2026-27**.

In recent years, the complexity and number of types of hearings conducted by the (BMV) Hearings Division have increased substantially resulting in longer wait times to schedule hearings. Over the last 3 years the number of hearings has increases from 3,500 a year to more than over 4,700 hearings in FY24. To reduce wait times and fulfill the legislative directive of quick removal of problem drivers from the roadway, an additional Hearings Officer position and Secretary Associate position are needed.

Ref. #:90 Provides funding for a Customer Relationship Management platform for the Bureau of Motor Vehicle contact center. The All Other request is **\$89,210 in FY 2025-26** and **\$76,690 in FY2026-27**.

This technology initiative provides funding for a software platform that will provide a start to finish customer tracking of issues for our customer contact center.

Ref. #: 91 Increases the hours of 3 part-time Customer Representative Associate II-Motor Vehicle positions to 3 full-time Customer Representative Associate II-Motor Vehicle positions and provides funding for related All Other costs. The Personal Services request is **\$103,171 in FY 2025-26** and **\$4,827 in FY2026-27**. The All Other request is **\$4,466 in FY 2025-26** and **\$4,827 in FY2026-27**.

This initiative increases the hours 3 of the 7 part-time Customer Representative Associate positions from 20 hours a weekly to 40 hours a week in our Rumford, Springvale and Calais offices. Making these positions fulltime will assist in recruitment and retention as well as reduce the costs of having to deploy personnel from other branches to cover in these areas.

Ref. #: 92 Provides funding for upgrades to current on-line services. The All Other request is **\$88,680 in FY 2025-26** and **\$8,346 in FY2026-27**.

This technology initiative seeks to build an online portal for driver education schools for exchange of required information with the Bureau of Motor Vehicle to streamline compliance, track student completion of educational requirements, and facilitate a more streamlined process for issuing student permits across all license classes.

Ref. #: 93 Provides funding for a computerized enforcement services database. The All Other request is **\$195,922 in FY 2025-26** and **\$71,770 in FY2026-27**.

This technology initiative would provide a modernized case management database for the Enforcement Services Division to manage evidence; streamline investigations; provide secure mobile access to the detectives while in the field; and enable better data analytics to track cases.

Ref. #: 94 **Ref. #:84** Provides funding for the approved reorganization of one Public Service Manager II position to a Public Service Manager III position and provides funding for related All Other costs. The Personal Services request is **\$16,684 in FY 2025-26** and **\$19,227 in FY2026-27**. The All Other request is **\$722 in FY 2025-26** and **\$832 in FY2026-27**.

This management-initiated reorganization of a Public Service Manager II position to a Public Service Manager III position was approved by the Bureau of Human Resources on 4/1/2024.

Ref. #:95 Provides funding for an enforcement services radio communication system. The All Other request is **\$13,563 in FY 2025-26** and **\$13,563 in FY2026-27**.

This technology initiative is a secure subscription service to facilitate secure radio communications between detectives, dispatchers and other state law enforcement personnel using the detectives' cellular phones.

Ref. #: 96 Provides funding for increase in membership fees for the International Registration Plan. The All Other request is **\$8,492 in FY 2025-26** and **\$8,492 in FY2026-27**.

This initiative reflects increased costs of doing business due to increases in membership fees for the International Registration Plan, (IRP) over the prior year. This membership provides for allocation of commercial vehicle fees across multiple jurisdictions and is utilized by multiple governments.

Ref. #:97 Provides funding for interpretation of official documents. The All Other request is **\$52,165 in FY 2025-26** and **\$52,165 in FY2026-27**.

This initiative would provide instructions for completing several BMV forms in Arabic, French, Portuguese, Somali and Spanish. The forms include applications for driver license written and road test exams and applications for drivers' licenses and ID cards. As Maine's customer base diversifies, this initiative would assist in more effective communications with our customers.

Ref. #:98 Provides funding for additional software licenses. The All Other request is **\$16,601 in FY 2025-26** and **\$16,601 in FY2026-27**.

This technology initiative would add licenses for forty BMV staff for specialized PDF software for additional employees as we move away from paper to online forms.

Ref. #:99 Provides funding for increased security features on credentials. The All Other request is **\$0 in FY 2025-26** and **\$309,857 in FY2026-27**.

This initiative funds improvements in driver license and state identification card security features which were last updated over 5 years ago. Black-market actors have attempted to replicate them and, in some cases, created fraudulent cards that are very difficult to detect.

Ref. #:100 Provides funding for an address verification software program. The All Other request is **\$64,684 in FY 2025-26** and **\$22,952 in FY2026-27**.

This technology initiative is an important security solution to aid the BMV in stopping fraud by providing high quality address verification, validation and standardization.

Ref. #: 101 Provides funding for server software upgrades. The All Other request is **\$90,902 in FY 2025-26** and **\$90,902 in FY2026-27**.

This technology initiative is a critical security investment to upgrade server software within the data center. We propose an enterprise-wide operating system and support package that includes an automation platform to streamline critical system administration tasks, incorporating regular security updates, automatically timed events and 24x7 dedicated support staff.

Ref. #: 102 Provides funding for planned increases in software costs. The All Other request is **\$14,635 in FY 2025-26** and **\$14,635 in FY2026-27**.

This is a critical technology modernization initiative to increase the number of licenses for development tools used by the programmers in modernization initiatives.

Ref. #: 103 Provides funding for anticipated increase in cloud-based data storage. The All Other request is **\$45,070 in FY 2025-26** and **\$45,070 in FY2026-27**.

This technology initiative is designed to meet the needs of increased cloud-based data storage to back up BMV data and allow for effective disaster recovery should that be necessary. The modernization initiatives and increases in customers have led to increased data requirements.

Ref. #: 104 Provides funding for the approved reclassification of 2 Senior Motor Vehicle Section Manager positions to 2 Regional Motor Vehicle Service Manager positions and provides funding for related All Other costs retroactive to February 2024. The Personal Services request is **\$256 in FY 2025-26** and **\$2,097 in FY2026-27**. The All Other request is **\$11 in FY 2025-26** and **\$91 in FY2026-27**.

This initiative provides funding for employee-initiated reclassifications for 2 Regional Motor Vehicle Service Manager positions approved by the Bureau of Human Resources on 5/10/2024, to account for the additional responsibilities and regions of responsibility. A corresponding initiative is in the Supplemental Budget for fiscal year 2024-25.

Ref. #: 105 Provides funding for increased membership fees for the International Fuel Tax Agreement. The All Other request is **\$10,433 in FY 2025-26** and **\$10,433 in FY2026-27**.

This initiative reflects increased costs of doing business as part of the International Fuel Tax Agreement, (IFTA), which provides for the allocation of fuel taxes used by commercial carriers across multiple jurisdictions.

Ref. #: 106 Provides funding for an additional security compliance assessment. The All Other request is **\$208,658 in FY 2025-26** and **\$52,165 in FY2026-27**.

This initiative is an industry requirement to strengthen the security of our credit card transactions. The credit card industry mandates financial security standards under the Payment Card Industry Data Security Standard (PCI DSS) version 4.0. Compliance must be met this year. We need to engage a Qualified Security Assessor to assess the internal systems involved with credit card transactions as well as an approved Scanning Vendor to conduct external scans, which must be coordinated with MaineIT. The initiative also provides for required ongoing monitoring and reporting to meet the industry standards going forward, followed by any corrective actions.

Ref. #:107 Provides funding for monitoring servers, applications and hardware/software inventory. The All Other request is **\$7,976 in FY 2025-26** and **\$7,976 in FY2026-27**.

This technology initiative is for software that will allow our IT personnel to monitor multiple data centers operations holistically. It will help our staff assess server resource utilization, track assets through a hardware and software inventory, collect and analyze server logs, monitor application performance, and track user devices.

Ref. #:108 Provides funding for anticipated new space lease for Information Services offices. The All Other request is **\$283,358 in FY 2025-26** and **\$179,029 in FY2026-27**.

Current office space for BMV Information Services staff is insufficient. This initiative seeks to provide funding for office space outside of the BMV Administrative Offices and provides funding for the related relocation expenses for the Information Services Division.

Ref. #:109 Provides funding for the approved reorganization of 4 Hearings Examiner positions to 4 Hearings Officer positions and provides funding for related All Other costs. The Personal Services request is **\$43,389 in FY 2025-26** and **\$46,007 in FY2026-27**. The All Other request is **\$1,898 in FY 2025-26** and **\$2,015 in FY2026-27**.

This management-initiated reorganization of 4 Hearings Examiner positions to 4 Hearings Officer positions was approved by the Bureau of Human Resources on 5/21/2024.

Ref. #:110 Provides funding for increases in technology costs in accordance with MaineIT rate structure. The All Other request is **\$121,808 in FY 2025-26** and **\$121,808 in FY2026-27**.

Expenses from MaineIT have increased. This initiative seeks to provide funding for the increases. A request has been submitted in the Supplemental Budget for fiscal year 2024-25.

Ref. #: 111 Provides funding for mobile unit operational expenses. The All Other request is **\$96,141 in FY 2025-26** and **\$96,141 in FY2026-27**.

This initiative provides for the ongoing operational expenses for the new mobile unit. A request in the Supplemental Budget for fiscal year 2024-25 was withdrawn due to a delay in the delivery of the vehicle. It is scheduled for delivery next month.

Ref. #: 112 Provides funding for the approved reorganization of one Assistant Motor Vehicle Hearings Examiner position from range 18 to range 22 and provides funding for related All Other costs. The Personal Services request is **\$25,528 in FY 2025-26** and **\$26,672 in FY2026-27**. The All Other request is **\$1,105 in FY 2025-26** and **\$1,155 in FY2026-27**.

This management-initiated reorganization of one Assistant Motor Vehicle Hearings Examiner position from range 18 to range 22 was approved by the Bureau of Human Resources on 6/13/2024.

Ref. #: 113 Establishes one Technical Support Specialist position and provides funding for related All Other costs. The Personal Services request is **\$128,582 in FY 2025-26** and **\$138,743 in FY2026-27**. The All Other request is **\$16,060 in FY 2025-26** and **\$9,092 in FY2026-27**.

This initiative provides funding for one Technical Support Specialist position to serve in the Operations Center to provide support for database management, software configuration management and informational services change management. As we modernize our systems, it is critical that we have adequate backend support from our Information Services Division for our databases and applications.

Ref. #: 114 Provides funding for the approved reorganization of 2 Inventory & Property Associate I positions to 2 Office Associate II positions and provides funding for related All Other costs. The Personal Services request is **\$9,667 in FY 2025-26** and **\$7,918 in FY2026-27**. The All Other request is **\$418 in FY 2025-26** and **\$347 in FY2026-27**.

This management-initiated reorganization of 2 Inventory & Property Associate I positions to 2 Office Associate II positions was approved by the Bureau of Human Resources on 5/28/2024.

Ref. #: 115 Provides funding for the increase in postage related expenses. The All Other request is **\$388,523 in FY 2025-26** and **\$388,523 in FY2026-27**.

Postage and related expenses have been increasing steadily over the past five years. This initiative seeks to provide funds for those increases. The costs of our Intragovernmental Postage

Service has increased 45% over the FY19 baseline year. Since 2021 we experienced substantial fee increases from both of our main mail delivery vendors. UPS averaged a 6% increase and USPS averages 5% increase each year. USPS has issued increases twice a year for the last 2 years. Our postage/shipping related expenses were \$949K in 2019. In 2024 they were \$1.38M.

Ref. #: 116 Provides funding for the approved reorganization of one Driver License Examiner position to a Driver License Examiner Training Specialist position and provides funding for related All Other costs. The Personal Services request is **\$20,383 in FY 2025-26** and **\$21,382 in FY2026-27**. The All Other request is **\$882 in FY 2025-26** and **\$926 in FY2026-27**.

This management-initiated reorganization of one Driver License Examiner position to one Driver License Examiner Training specialist position was submitted to the Bureau of Human Resources on 6/18/2024.

Ref. #: 117 Provides funding for the approved reclassification of one Secretary Specialist position to a Public Service Coordinator I position and provides funding for related All Other cost retroactive to June 2024. The Personal Services request is **\$8,974 in FY 2025-26** and **\$10,992 in FY2026-27**. The All Other request is **\$388 in FY 2025-26** and **\$476 in FY2026-27**.

This employee-initiated reorganization of one Secretary Associate position to one Public Service Coordinator position was approved by the Bureau of Human Resources on 11/7/2024.

This concludes my testimony on the items included in the Governor's proposed Highway Fund FY 2026-27 budget.

I would be happy to answer questions now or at the work session.

Thank you.