

Date of Hearing: March 11, 2019

ASSEMBLY COMMITTEE ON TRANSPORTATION
Jim Frazier, Chair
AB 317 (Diep) – As Amended February 26, 2019

SUBJECT: Department Motor Vehicles: appointments: unlawful sale

SUMMARY: Prohibits the sale of appointments with the Department of Motor Vehicles (DMV).

Specifically, **this bill:**

- 1) Prohibits a person, firm, corporation, or association to sell, or offer for sale, an appointment with DMV.
- 2) Defines “appointment” to mean an arrangement to receive a government service at a specific time.
- 3) Provides that a violation of this section is a misdemeanor.

EXISTING LAW:

- 1) Establishes DMV within the Transportation Agency.
- 2) Specifies that DMV has the authority to issue and renew driver’s licenses and identification cards.
- 3) Specifies that DMV shall collect vehicle registration fees.

FISCAL EFFECT: Unknown.

COMMENTS: Last year there was a noticeable uptick in wait times at DMV. As a result, DMV began reporting monthly numbers on wait times to the Joint Legislative Budget Committee. In the last week of July of 2018, DMV reported that the average wait time for non-appointment customers was two hours and ten minutes. The top 20 most impacted DMV field offices saw average wait times of three hours and 21 minutes.

DMV Attributes much of the increase in wait times to compliance with the Federal REAL ID Act of 2005, which requires in-person verification for a state issued driver’s license or identification cards in order for a person to fly domestically or enter a federal building. While individuals traditionally only have to renew their state issued driver’s license in person once every 15 years, individuals who wish to fly domestically have between January 2018 and October 2020 to renew in person, regardless of when their driver’s licenses expire.

DMV began to hire significantly more staff as a result of the increase in wait times. Between July 1, 2018 and December 31, 2018, DMV made 946 civil service appointments, 680 emergency hires, and hired 141 retired annuitants. DMV made several technological changes as well, including allowing individuals to electronically fill out their information either online or while waiting for their appointment. These actions have sped up transactions.

By January, the statewide average wait time for those without an appointment dropped to 57 minutes and the top 20 offices saw an average wait time of 95 minutes. DMV has set a goal of reducing their average wait times to 45 minutes for those without an appointment, and 15 minutes for those with an appointment. So far DMV has not met that goal.

Wait times for those with an appointment are significantly less. In August, wait times for those with an appointment averaged 20 minutes. By the end of November the wait time for those with an appointment dropped to 14 minutes.

Getting an appointment with DMV can be challenging. DMV allows individuals to make appointments up to 90 days in advance. As of February 21st, the earliest appointment available at the DMV office with the longest wait time was on May 7th. Three other options were provided at other nearby offices, with the earliest appointment available on April 10th at an office 15 minutes away. The San Francisco office, which is not even in the top 20 most impacted offices, had no available appointments. The earliest appointment at a nearby office was on May 20th.

Waiting 20 minutes to do one's business at DMV instead of 3 hours can make a huge difference. Recently, a company called Yogov began offering a service to help individuals get an appointment within a month for \$25. Yogov claims on its website that their employees are constantly hitting refresh on DMV's website to look for dropped appointments in order to get the customer an earlier appointment.

However, in an interview with the blog Hacker Noon, Yogov founder, Ryder Pearce, stated that he had hired a team in the Philippines "to help with bookings and customer support. This allowed me to not only get some sleep, but helped us fulfill DMV appointment bookings that we hadn't yet automated."

It is unclear what is meant by "hadn't yet automated." But it is possible for Yogov or any other company to run simultaneous automated bots: one to make appointments under false names and birthdates as soon as DMV makes them available, and one to scoop up those appointments once they are canceled and make them under their customer's names.

Under this scheme, Yogov or other businesses could take away the ability for everyday individuals to get an appointment with DMV without paying a transaction fee for what was supposed to be a free service. Other state departments, like the Department of Parks and Recreation, have been able to use existing law to shut down websites that were reserving camping grounds for an increased cost. However those laws do not pertain to DMV.

According to the Author, "Government is supposed to serve everyone equally, regardless of how much they can afford to pay. At a time when DMV is struggling to meet demand, we can't allow companies to make the problem worse by making it a competitive appointment process between Californians and companies. Especially, if these companies are turning a profit off a government service that is free to the public."

Committee comments: The Legislature should consider whether sites like Yogov are innovative businesses helping citizens get better access to government, or a predatory business taking advantage of DMV customers by giving those with the ability to pay easier access to a basic government service.

REGISTERED SUPPORT / OPPOSITION:

Support

Teamsters

Opposition

ACLU

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