



A FIRST DATA CUSTOMER SUCCESS STORY:

FIRST DATA-ENABLED PAYMENT OPTIONS HELP PUT NEVADA MOTORISTS IN THE DRIVER'S SEAT

Client

Nevada Department of Motor Vehicles

Challenge

Nevada DMV seeks to offer drivers convenient payment options while trimming costs for the department

Solution

PayPoint and Star® Bill Payment Service

Results

Nevada DMV expands its online payment options and saves state taxpayers more than a quarter million dollars a year

The Challenge

Explosive population growth in Nevada during the late 1990s created congested consumer traffic to the Nevada Department of Motor Vehicles. Unable to keep up with demand, the DMV decided to “go electronic” in 1999 as a way to cut down on the amount of walk-in traffic at DMV offices since brick-and-mortar solutions weren't viable or cost effective.

Today, nearly one-third of DMV business is conducted over the Internet. The DMV Web site has proven to be enormously popular among citizens, but until recently, consumers only could use credit cards for payment, which costs the State of Nevada – and ultimately its residents – a premium fee for every transaction.

According to Ginny Lewis, Director of the Nevada Department of Motor Vehicles, the agency has increased the range of services offered on the Web. Subsequently, it has been on the lookout for new payment options that offer more convenience for online users while also reducing costs to the department and taxpayers.

"The Legislature increased our budget in 1999 to cover the additional expenses incurred from credit card transaction fees, and it's been an investment well worth it when compared to the alternative of adding more offices and staff," Lewis said. "However, as good stewards of our taxpayers' dollars, it's our responsibility to continually find innovative ways to lessen our expenses while also providing greater levels of service."



First Data provided outstanding counsel and workable solutions that will benefit our department and Nevada residents for the long-term. ”

*Ginny Lewis,
Director of the Nevada
Department of Motor
Vehicles Association*

The Solution

According to a recent study sponsored by First Data's STAR® Network, nearly 80 percent of consumers own an ATM/Debit card, indicating the trend for debit card use is on the rise. The costs for debit card transactions are also lower than credit cards, so it made sense for the Nevada DMV to consider adding debit cards to its menu of online payments. However, it first had to get over the hurdle of requiring a personal identification number (PIN) to process these types of transactions.

With the help of First Data Government Solutions and PayPoint, First Data's enterprise-wide payment engine, the State soon had the ability to offer drivers a choice of payment options that included debit cards, credit cards and electronic checks, or E-checks. This eliminated the need for PINs by implementing the STAR® Bill Payment Service, which allows consumers using STAR-branded ATM/Debit cards to initiate transactions without their PINs.

Not only has the use of PayPoint and the STAR Bill Payment Service made it possible for the DMV to offer drivers more online payment choices, but the agency is also exploring the consolidation of all its payment systems from across the department onto First Data's PayPoint platform, as well as potentially using STAR Bill Payment Service for debit card processing. This would give Nevada residents access to multiple payment options, including the cost-effective debit cards, no matter what unit of the DMV they are working with.

The Results

Since the debit card option was implemented in August 2006, Nevada motorists have chosen that payment method more than 25,000 times. At that rate, the DMV estimates that debit-card transactions can save Nevada taxpayers almost a quarter of a million dollars a year.

"We believe these estimates are conservative because it doesn't account for continued growth in Web site usage. Regardless, we're thrilled with the expense savings so far," said Lewis. "We've implemented choices that have improved customer satisfaction, and the potential savings to taxpayers is phenomenal."

"First Data worked with us in a public-private partnership to achieve our goals," Lewis added. "They've provided outstanding counsel and workable solutions that will benefit our department and Nevada residents for the long-term."