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 DATE PREPARED: February 01, 2006
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LB 879

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2006-07		FY 2007-08	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$31,000		\$15,500	
CASH FUNDS	\$60,500			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$91,500		\$15,500	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 879 provides for the notation of advanced medical directives on motor vehicle operator's licenses and state identification cards. The bill requires the Department of Health and Human Services (HHS) to provide a brochure to each license or card applicant which contains a description and explanation of advance medical directives. The bill has an operative date of January 1, 2007.

The Department of Motor Vehicles will have increased costs to modify the state mainframe computer system and county computer system to provide for a notation of medical directives. The estimated one-time cost for computer programming for these systems is \$22,500 of cash funds. There will also be computer programming expenses for the vendor to modify driver's licenses and state identification cards. The estimated one-time cost for programming by the vendor is \$36,000 of cash funds. Forms used to apply for licenses and cards will also have to be revised and reprinted at an estimated one-time cost of \$2,000 of cash funds.

HHS will have increased costs to print and provide a brochure to applicants for licenses and cards. The actual cost of the brochure will depend upon its length and the colors used. The DAS print shop administrator estimates a cost of \$10,275 to print, fold and box 500,000 brochures. This assumes a cost per brochure of about \$.02. HHS projects a \$.05 cost per brochure for printing and shipping. This fiscal note assumes a \$.03 cost per brochure.

In 2004, the state issued a total of 455,000 licenses, permits and state identification cards. HHS indicates that DMV examining stations have over 600,000 contacts each year. This fiscal note assumes one million brochures will be printed initially and 500,000 will be printed each year thereafter. Using these estimates, the fiscal impact for HHS to print the brochures will be about \$30,000 of general funds in 2006-07 and \$15,000 each year thereafter. An additional \$1,000 is added for distribution costs in 2006-07 and \$500 each year thereafter.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Rich Robinson	DATE 1/21/06	PHONE 471-2526
COMMENTS			
DEPARTMENT OF HEALTH AND HUMAN SERVICES: No basis to disagree. NEBRASKA DEPARTMENT OF MOTOR VEHICLES: No basis to disagree.			