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LB 158

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES * |              |         |              |          |
|--|--------------|---------|--------------|----------|
|  | FY 2011-12   |         | FY 2012-13   |          |
|  | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE  |
| GENERAL FUNDS                                |              | \$2,475 |              | \$3,300  |
| CASH FUNDS                                   | See Below    | \$6,750 | See Below    | \$9,000  |
| FEDERAL FUNDS                                |              |         |              |          |
| OTHER FUNDS                                  |              |         |              |          |
| TOTAL FUNDS                                  |              | \$9,225 |              | \$12,300 |

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

LB 158 changes provisions relating to the electronic issuance of drivers' licenses. The bill increases the upper age limit for qualified persons to renew their drivers' licenses electronically. Currently, qualified individuals' whose licenses expire prior to age 65 are allowed to renew electronically. The bill expands the age limit to those whose licenses expire prior to their 72<sup>nd</sup> birthday. Persons under age 21 are also allowed to renew electronically under certain conditions. The bill also allows for the issuance of an LPD-learner's permit to applicants who have failed three successive driving tests.

Revenue: The provision allowing applicants who have failed three successive driving tests to obtain a learner's permit will increase the number of learner's permits issued. The Department of Motor Vehicles (DMV) estimates about 1,200 additional permits will be issued pursuant to this provision each year. The fee for a learner's permit is \$10.50. Revenue from a permit accrues as follows: \$2.75 General Fund; \$7.50 DMV Cash Fund; and, \$.25 County. The annual increase in revenue is projected to be \$3,300 for the General Fund, \$9,000 for the DMV Cash Fund and \$300 for counties. Revenue in the initial year is slightly less due to the implementation date of the bill.

Expenditures: DMV will have increased expenditures to pay for learner's permits. The estimated additional cost is \$4,383 of cash funds in FY2011-12 and \$5,844 of cash funds in FY2012-13. DMV indicates the agency can handle any increase in expenditures with existing budgetary resources. It is assumed the opportunity for additional persons to have their licenses issued electronically will minimally decrease the workload of the DMV. No fiscal impact is assumed for the workload decrease because it is not significant enough to reduce staff at examining sites.

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

|               | FY 2011-2012 |          | FY 2012-2013 |          |
|---------------|--------------|----------|--------------|----------|
|               | EXPENDITURES | REVENUE  | EXPENDITURES | REVENUE  |
| GENERAL FUNDS |              | \$ 3,300 |              | \$ 3,300 |
| CASH FUNDS    |              | \$ 6,000 |              | \$ 6,000 |
| FEDERAL FUNDS |              |          |              |          |
| OTHER FUNDS   |              | \$ 300   |              | \$ 300   |
| TOTAL FUNDS   | \$ -         | \$ 9,600 | \$ -         | \$ 9,600 |

Explanation of Estimate:

LB 158 changes provisions relating to electronic issuance and renewal of operator's licenses and state identification cards. If an applicant fails three successive tests then they will be issued a learner's permit and restricted from reapplying until they have completed an approved driving course or driven with the learner's permit for a period of 90 days. It is estimated that approximately 1,200 applicants would fall into this category, resulting in the issuance of 1,200 additional learner permits annually.

|                     | Number | Split   | Additional Revenue |
|---------------------|--------|---------|--------------------|
| County General Fund | 1,200  | \$ 0.25 | \$ 300             |
| State General Fund  | 1,200  | \$ 2.75 | \$ 3,300           |
| DMV Cash Fund       | 1,200  | \$ 5.00 | \$ 6,000           |

DMV would have increased costs due to the increase in the number of Learner Permits issued. The additional cost of \$5,844 (\$4.87 x 1,200), however, can be handled within the current appropriation.

MAJOR OBJECTS OF EXPENDITURE

| POSITION TITLE       | NUMBER OF POSITIONS |       | 2011-2012 EXPENDITURES | 2012-2013 EXPENDITURES |
|----------------------|---------------------|-------|------------------------|------------------------|
|                      | 11-12               | 12-13 |                        |                        |
| Benefits             |                     |       |                        |                        |
| Operating            |                     |       |                        |                        |
| Travel               |                     |       |                        |                        |
| Capital Outlay       |                     |       |                        |                        |
| Aid                  |                     |       |                        |                        |
| Capital Improvements |                     |       |                        |                        |
| Total                |                     |       | \$ -                   | \$ -                   |