

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 263 requires the Department of Motor Vehicles (DMV) to implement an electronic dealer services system. Dealers may voluntarily participate in the system and provide titling and registration services. Dealers will be authorized to collect title and registration fees, sales taxes and motor vehicle taxes. DMV may adopt rules and regulations governing the dealer services system. The system is to be implemented on a date determined by the director of DMV, but not later than January 1, 2021. The act is operative on January 1, 2019.

Expenditures: DMV will incur expenses to implement the electronic dealer services system. The department is in the process of a modernization project to replace its Vehicle Title Registration System. The Legislature provided cash funds beginning in FY2014-15 for the project. The department has a biennial budget request of \$14,598,490 of cash funds for FY18 and \$10,134,987 for FY19 to continue implementation of the project. The base system is scheduled to be implemented and operational in September of 2019. An electronic dealer services system is a component of the modernization project, so a portion of the total project cost will be devoted to the new electronic system. If the biennial budget request of the department is funded, then LB 263 will have no additional fiscal impact.

The Department of Correctional Services indicates the provisions of the bill relative to distribution of license plates will have no fiscal impact for the agency in the next biennium. The Department of Revenue assumes the electronic dealer licensing system will not have a fiscal impact for the agency as long as paper filings of motor vehicle taxes are allowed. DMV indicates that will not change with the new dealer services system.

Revenues: LB 263 does not change any fees or taxes pertaining to licensing or registering motor vehicles. So, dealers will collect the same amount of motor vehicle taxes and fees and will remit the fees or taxes to the state and counties as is required by current law.

The bill changes the required time period for county treasurers to remit fees and taxes to the state. Currently, title fees are required to be remitted to the state by the 15th day of the month and vehicle fees and registration fees are required to be remitted by the 25th day of each month. The required remittance date is synchronized to be the 20th day of each month. The change may have a slight unknown fiscal impact for counties or the state in terms of interest earned on funds.

The bill provides for a new \$1.50 fee if an individual opts to change the address on a registration certificate prior to annual renewal. It is assumed there will be little new revenue pursuant to the option.

MINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 263	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services
REVIEWED BY: Lee Will	DATE: 01/25/2017	PHONE: (402) 471-4175
COMMENTS: Concur with the Nebraska Department of Correctional Services' assessment of no fiscal impact.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 263	AM:	AGENCY/POLT. SUB: Nebraska Department of Revenue
REVIEWED BY: Lee Will	DATE: 02/03/2017	PHONE: (402) 471-4175
COMMENTS: Concur with the Nebraska Department of Revenue's assessment of no fiscal impact.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 263	AM:	AGENCY/POLT. SUB: Douglas County
REVIEWED BY: Lee Will	DATE: 01/19/2017	PHONE: (402) 471-4175
COMMENTS: Concur with the Douglas County's statement of no fiscal impact.		

Please complete ALL (5) blanks in the first three lines.

2017

LB⁽¹⁾ 263

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 18, 2017 Phone: ⁽⁵⁾ (402)471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

Programming costs associated with LB 263 are included in the Department's 2017-19 biennium budget request for the VTR modernization project. No additional fiscal impact is anticipated.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>0</u>	<u>0</u>

Please complete ALL (5) blanks in the first three lines.

2017

LB⁽¹⁾ 263

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ DOUGLAS COUNTY, NEBRASKA

Prepared by: ⁽³⁾ C/O MARCOS SAN MARTIN, DOUGLAS CO. ADMINISTRATION Date Prepared: ⁽⁴⁾ 1/18/17 Phone: ⁽⁵⁾ 402-444-5116

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

NEGLIGIBLE OR NO FISCAL IMPACT TO COUNTY.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18 EXPENDITURES</u>	<u>2018-19 EXPENDITURES</u>
	<u>17-18</u>	<u>18-19</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2017

LB⁽¹⁾ 263

FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Department of Correctional Services

Prepared by: (3) Sara Sump Date Prepared: (4) 1/17/17 Phone: (5) 402.479.5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
FEDERAL FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
OTHER FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

LB 263 proposes to make changes to the method of distributing new license plates. The bill requires the following: "The Department of Correctional Services shall deliver the license plates each year as directed by the Department of Motor Vehicles through a secure process and system." The operative date of the bill is January 1, 2019 and in discussions with DMV, the legislation will not change the distribution process for license plates until after the end of the upcoming biennium. As a result there is no fiscal impact to the Department in FY 17-18 or FY 18-19.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u></u>	<u></u>	<u></u>	<u></u>
Operating.....	<u></u>	<u></u>	<u></u>	<u></u>
Travel.....	<u></u>	<u></u>	<u></u>	<u></u>
Capital outlay.....	<u></u>	<u></u>	<u></u>	<u></u>
Aid.....	<u></u>	<u></u>	<u></u>	<u></u>
Capital improvements.....	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL.....	<u></u>	<u></u>	<u>0</u>	<u>0</u>