

PREPARED BY: Sandy Sostad  
 DATE PREPARED: January 19, 2012  
 PHONE: 471-0054

**LB 724**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 724 changes provisions relating to commercial driver medical examinations. The bill also prohibits texting while driving a commercial motor vehicle beginning October 27, 2013. Commercial motor vehicle operators convicted of texting while driving will have points taken off their drivers' license, be subject to disqualification and be fined as provided in the bill. Fines of \$200 are to be assessed for the first offense, \$300 for a second offense and \$500 for third and subsequent offenses.

The changes made in regard to commercial driver medical examinations have no fiscal impact. The Department of Motor Vehicles indicates there will be a penalty for federal noncompliance if the state does not enact a law prohibiting commercial motor vehicle operators from texting while driving. The penalty will be a loss of federal highway funds in the amount of \$11.1 million in the first year and \$22.2 million in the second and subsequent years. The penalties will be assessed beginning in 2013-14.

The number of persons who will be fined for texting while driving pursuant to the bill is unknown, but is projected to be small. Any revenue received from fines accrues to the county where the traffic infraction occurred to be used by the public schools.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	1/12/12	PHONE 471-2526
COMMENTS			
DEPT. OF MOTOR VEHICLES – Fiscal note indicates only a potential fiscal impact if LB 724 is not enacted, but no impact if bill is enacted, as state law would then comply with federal standards. No basis to dispute or confirm agency assumption.			

**LB 724 FISCAL NOTE**

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**NEBRASKA DEPARTMENT OF MOTOR VEHICLES**

LEGISLATIVE FISCAL

Prepared by: Gary Ryken

Date Prepared: 12-Jan-12

Phone: 471-3902

Fax: 471-9594

Email: gary.ryken@nebraska.gov

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Explanation of Estimate:

LB 724 changes provisions relating to commercial driver medical examinations and prohibits texting while driving a commercial motor vehicle. While there is no direct fiscal impact to DMV, there is a federal noncompliance issue associated with failure to enact a law prohibiting texting that would result in a 5% penalty of approximately \$11.1 million the first year and 10% penalty of \$22.2 million the second and subsequent years to Highway Trust Fund.

POSITION TITLE	MAJOR OBJECTS OF EXPENDITURE		FY 2012-2013 EXPENDITURES	FY 2013-2014 EXPENDITURES
	NUMBER OF POSITIONS			
	12-13	13-14		
Benefits .....	_____	_____	_____	_____
Operating .....	_____	_____	_____	_____
Travel .....	_____	_____	_____	_____
Capital Outlay .....	_____	_____	_____	_____
Aid .....	_____	_____	_____	_____
Capital Improvements .....	_____	_____	_____	_____
Total .....	_____	_____	<u>\$ -</u>	<u>\$ -</u>