

PREPARED BY: Sandy Sostad  
 DATE PREPARED: January 19, 2016  
 PHONE: 471-0054

**LB 814**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2016-17</b>		<b>FY 2017-18</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		\$2,915		\$2,915
CASH FUNDS	\$5,629	\$7,950	\$5,629	\$7,950
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$5,629</b>	<b>\$10,865</b>	<b>\$5,629</b>	<b>\$10,865</b>

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

LB 814 eliminates the requirement that an applicant for a school permit must live at least 1.5 miles or more from school to be eligible for a permit. Applicants still must reside or attend school outside a metropolitan, primary or first class city.

The Department of Motor Vehicles (DMV) indicates there were 4,242 school permits issued in CY 2015. DMV estimates the elimination of the mileage requirement will increase the number of school permits issued by 25% per year which appears reasonable. If so, then expenditures by the department to produce an additional 1,060 school permits will increase by \$5,629 of cash funds per year (1,060 permits x \$5.31 per card).

The cost for a school permit is \$10.50. The estimated annual increase in cash fund revenue if 1,060 additional school permits are issued pursuant to the bill is \$11,300 which will accrue to the General Fund (\$2,915), DMV Cash Fund (\$7,950), and counties (\$265).

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 814	AM:	AGENCY/POLT. SUB: Nebraska Department of Motor Vehicles
REVIEWED BY: Lee Will	DATE: 1/21/2016	PHONE: 471-4175
COMMENTS: The agency's estimate appears to be reasonable given the assumptions used.		

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2016-2017		FY 2017-2018	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		\$ 2,422		\$ 2,918
CASH FUNDS	\$ 5,634	\$ 6,605		\$ 7,958
FEDERAL FUNDS				
COUNTY FUNDS		\$ 220		\$ 265
TOTAL FUNDS	\$ 5,634	\$ 9,247	\$ -	\$ 11,141

Explanation of Estimate:

LB 814 changes provisions relating to the issuance of school permits. It would eliminate the 1 1/2 mile restriction from statute potentially allowing more school permits to be issued each year. In 2015, there were 4,242 school permits issued. There are currently 25,190 both public and non-public 8th graders in the 2014-15 school year. DMV estimates that the change could increase the number of permits by 25% per year or an estimated 1,061.

Expenditure Increase	Number	Cost/Card	Total Additional Cost
Cost to Issue Permit	1,061	\$ 5.31	\$ 5,634

Revenue Increase	Number	County General	DMV Cash*	State General	Total Revenue Increase
	1,061	\$ 265	\$ 7,958	\$ 2,918	\$ 11,141

\*Includes \$2.50 security surcharge

MAJOR OBJECTS OF EXPENDITURE				
POSITION TITLE	NUMBER OF POSITIONS		FY 2016-2017 EXPENDITURES	FY 2017-2018 EXPENDITURES
	16-17	17-18		
Benefits				
Operating			\$ 5,634	
Travel				
Capital Outlay				
Aid				
Capital Improvements				

Total .....	<u>\$ 5,634</u>	<u>\$ -</u>
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