

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$5,000		\$5,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$5,000		\$5,000

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

LB 895 changes various provisions regarding motor vehicles. The following provisions of the bill may have a fiscal impact.

Exemption from Motor Vehicle Taxes: The bill exempts spouses of members of the armed forces who are serving in the state from the payment of motor vehicle taxes if the person is a resident of another state. Vehicles that are currently registered in both spouses' names are currently exempt from motor vehicle taxes. The number of vehicles which would be exempt are unknown, but the Department of Motor Vehicles (DMV) estimates the number would be minimal. Proceeds from motor vehicle taxes accrue to counties (22%), cities (18%) and school districts (60%), which will see a minimal decrease in revenue pursuant to the bill.

State Identification Cards: The bill removes the requirement for an individual to apply in person once every ten years to renew a state identification card. It also allows persons to switch from a Class O drivers' license to a state identification card online, if a digital image and signature is on file.

The elimination of the requirement for a person to apply for a state identification card in person every ten years will result in a minimal decrease in workload. DMV estimates an annual increase in cash fund revenue of \$5,000 if individuals opt to use the on-line system to obtain a state identification card in lieu of a drivers' license.

DMV indicates there are other provisions in the bill which require changes to the drivers' manual and website and minor programming to assist customers in using the electronic data system. These changes can be handled with existing staff and resources of the department.

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2018

LB⁽¹⁾ 895

FISCAL NOTE

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

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	5,000	_____	5,000
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>5,000</u>	<u>_____</u>	<u>5,000</u>

Explanation of Estimate:

LB 895 allows individuals to switch from a Class O driver's license to a State ID Card online if a digital image and signature is on file. It also removes the requirement to appear in person every ten years. This would allow more individuals to utilize the online system and generate an additional \$5,000 for the Department.

Provisions in the bill require changes to the driver's manual and website, and minor programming to assist customers in using the system, but can be accommodated within existing appropriations.

There will be a very minimal decrease to motor vehicle tax revenues due to the current provisions in the Federal Service Members Civil Relief Act. The new provision would exempt vehicles registered in only the name of the spouse of an active service member who is living in Nebraska, but claims residence in another state. Vehicles currently registered in both the active military members name and spouses name are already exempted

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____