

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$94,780	\$5,625,000	\$97,197	\$5,625,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$94,780	\$5,625,000	\$97,197	\$5,625,000

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

Effective July 1, 2022, LB106 establishes an additional fee over the normal fee of \$3.00 for any driver record provided to a requester pursuant to NRS 60-483(1), of \$4.50 per record. The bill also establishes the Operator’s License Services System Replacement Fund (OLSSRF) which would be used to fund the building, implementation, and maintenance of a new operator’s licenses services system. Other provisions include directing revenue from the additional fee be divided between the Motor Vehicles Cash Fund - MVCF (\$0.50) and a newly created OLSSRF (\$4.00), requiring the Department of Motor Vehicles (DMV) to build and maintain an new operator’s license system for the issuance of operator’s licenses and state identification cards and implement the new system by July 1, 2032.

The DMV has provided a fiscal note (see attached) that provides revenue estimates based on FY20 requested records. The agency estimates the OLSSRF would see revenue in the amount of \$5,000,000 each fiscal year while the MVCF would see an increase of \$625,000 each fiscal year.

The DMV also estimates expenditures will occur for the development of the Request for Proposal, selecting a vendor, and working with the vendor to create the new system. This amount is \$94,780 in FY22 and \$97,197 in FY23. Beyond the next two fiscal years it is reasonable to assume (and confirmed by the agency) the agency will have increased expenditures related to the development and implementation of the new system, however those are not yet known and will be handled through the budget request process.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 106	AM:	AGENCY/POLT. SUB: Nebraska Department of Motor Vehicles	
REVIEWED BY: Lucas Martin	DATE: 01/13/2021	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with Department of Motor Vehicles’ assessment of fiscal impact.			

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2021

LB⁽¹⁾ 106

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 11, 2021 Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	94,780	5,625,000	97,197	5,625,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	94,780	5,625,000	97,197	5,625,000

Explanation of Estimate:

This proposal changes the fee for obtaining a driver record from \$3.00 to \$7.50. The revenue estimates are based on Fiscal Year 2019-20 of 1,250,000 requested records. Of the change, the first \$4.00 of the fee will generate \$5,000,000 per Fiscal Year for the Operator's License Services System Replacement and Maintenance Fund and the remaining \$0.50 will generate an additional \$625,000 to be credited to the DMV Cash Fund. Expenditures from the fund will be for generating an RFP, selecting a vendor, and working with the vendor to create the new system. During development, there will be infrastructure items necessary such as servers and software that will need to be purchased as necessary.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Program Manager I	1.00	1.00	60,085	61,287
Benefits.....			34,695	35,907
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			94,780	97,197