

PREPARED BY: Samuel Malson  
 DATE PREPARED: January 19, 2022  
 PHONE: 402-471-0051

**LB 822**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(\$505,350)		(\$505,350)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$505,350)		(\$505,350)

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

LB822 would eliminate the reinstatement fee (\$50) that is paid by individuals who have their license suspended due to non-payment of fines and court costs associated with a traffic citation. The \$50 fee is remitted to the Department of Motor Vehicles Cash Fund (DMVCF).

Based on recent calendar year reinstatements for suspensions that have occurred under 60-4,100, the Department of Motor Vehicles (DMV) estimates 10,107 annual instances where the reinstatement fee will no longer be paid. This equates to an estimated \$505,350 DMVCF revenue decrease each fiscal year. The DMV states another revenue source would need to be identified to offset this revenue loss. The DMVCF could absorb the revenue loss in the short-term. However, in the long-term the revenue loss may need to be addressed (ex. Other fee increases, Service reduction, etc.).

The DMV also estimates the change would require 40 hours of OCIO programming costs, but also indicates the costs can be absorbed within the agencies existing appropriation.

There is no basis to disagree with the DMV's assessment of fiscal impact.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
LB: 822	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles
REVIEWED BY: Patrick Redmond	DATE: 1/11/2022	PHONE: (402) 471-4181
COMMENTS: The Department of Motor Vehicles assessment of fiscal impact from LB 822 appears reasonable.		

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

**2022**

**LB<sup>(1)</sup> 822**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Motor Vehicles

Prepared by: <sup>(3)</sup> Bart Moore Date Prepared: <sup>(4)</sup> January 10, 2022 Phone: <sup>(5)</sup> 402-471-3902

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

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	(505,350)	_____	(505,350)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>(505,350)</b>	<b>=====</b>	<b>(505,350)</b>

**Explanation of Estimate:**

The Department estimates that 10,107 reinstatements will not be collected from this legislation. Each reinstatement for this class is \$50.00. This would result in a loss of revenue to the DMV of \$505,350 each Fiscal Year.

This legislation will require 40 hours of OCIO programming. The cost incurred will be absorbed within existing appropriations.

Based on the loss of revenue to the DMV from this legislation, there will need to be another source of revenue to offset this loss.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____