

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4222H.011
Bill No.: HB 1451
Subject: Licenses - Motor Vehicle; Motor Vehicles; Department of Revenue; Disabilities
Type: Original
Date: January 17, 2024

Bill Summary: This proposal modifies provisions relating to the issuance and renewal of license plates and placards for persons with disabilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	(\$29,757)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$29,757)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other State Funds</u>	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** assume the following regarding this proposal:

Administrative Impact

To implement the proposed changes, the Department will:

- Update procedures, manuals, Department website, and correspondence letters;
- Update Department system(s); and
- Train staff.

FY 2025 – Motor Vehicle Bureau

Associate Research/Data Analyst 100 hrs. @ \$25.22/hr. = \$2,522

Research/Data Analyst 40 hrs. @ \$27.00/hr. = \$1,080

Administrative Manager 20 hrs. @ \$29.31/hr. = \$586

FY 2026 – MVB Systems Analysis Support

Associate Research/Data Analyst 107 hrs. @ \$21.64/hr. = \$2,315

Research/Data Analyst 27 hrs. @ \$27.00/hr. = \$729

Administrative Manager 14 hrs. @ \$29.31/hr. = \$410

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$21.64/hr. = \$867

Administrative Manager 10 hrs. @ \$29.31/hr. = \$293

Total Cost = **\$8,802**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

Oversight assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note.

DOR also notes OA-ITSD services will be required at a cost of **\$29,757** in FY 2023 (283.40 hours x \$105 per hour).

Oversight does not have any information to the contrary in regards to DOR’s assumptions; therefore, Oversight will reflect DOR’s OA-ITSD costs on the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Cost – DOR – OA-ITSD services</u>	<u>(\$29,757)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$29,757)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

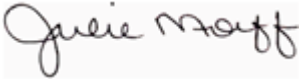
FISCAL DESCRIPTION

This bill increases the renewal period for removable windshield disability placards from four years to eight years and requires that the Department of Revenue automatically renew current valid disabled placards for eight years or for the duration that correlates with the disabled person's current physician's statement expiration date, until all permanent disabled placards are on an eight-year renewal cycle.

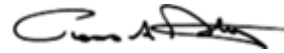
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue



Julie Morff
Director
January 17, 2024



Ross Strobe
Assistant Director
January 17, 2024