

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4123H.01I
Bill No.: HB 1708
Subject: Licenses - Motor Vehicle; Motor Vehicles; Department of Revenue; Disabilities
Type: Original
Date: December 17, 2025

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 2027	FY 2028	FY 2029
General Revenue	(\$32,007)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$32,007)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§301.142 – License Plates and Placards for Persons with Disabilities

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 2027 – MVB Systems Analysis Support

Associate Research/Data Analyst 107 hrs. @ \$31.16/hr. = \$3,334

Research/Data Analyst 27 hrs. @ \$37.14/hr. = \$1,003

Administrative Manager 14 hrs. @ \$51.40/hr. = \$720

FY 2027 – Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$31.16/hr. = \$1,246

Research/Data Analyst 10 hrs. @ \$37.14/hr. = \$371

Total Cost = **\$6,674**

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** (283.40 hours x \$105 per hour) in FY 2027.

FUSION Impact

Implementation: 10 hrs. @\$225/hr. = **\$2,250**

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle system environment.

The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the General assembly in 2020 (SB 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

Oversight does not have any information to the contrary in regard to DOR's assumptions; therefore, Oversight will reflect DOR's OA-ITSD and FUSION costs in the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DOR (§301.142) – OA-ITSD services p.3</u>	(\$29,757)	\$0	\$0
<u>Cost – DOR (§301.142) – FUSION implementation consultants p.3</u>	(\$2,250)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$32,007)	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

No direct fiscal impact on 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



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December 17, 2025



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December 17, 2025