

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5738-01
Bill No.: HB 1983
Subject: Licenses - Motor Vehicle; Disabilities; Department of Revenue
Type: Original
Date: February 8, 2018

Bill Summary: This proposal exempts permanently disabled persons from the requirement that a physician's statement be provided each time a disabled license plate or windshield placard is renewed.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$23,004)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$23,004)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

§301.142

Allows any person who provided a physician's statement with the original application certifying the applicant was permanently disabled exempt from the requirement to provide a physician's statement for the renewal of the disabled persons license plate or windshield placards.

Administrative Impact

Renewal of permanent disabled license plates and permanent disabled placards are currently required to present a physician's statement certifying the applicant is permanently disabled dated no more than ninety days prior to the renewal application. Under the proposed legislation, the applicant will not be required to provide a physician's statement at the time of renewal if he or she provided the statement at the time of the original application. The Department will be required to make changes to renewal notifications and systems indicating a physician's statement is not required for the renewal.

To implement the proposed legislation, the Department will be required to:

- Update procedures, the Department website, and correspondence letters;
- Update the permanent disabled placard renewal notice;
- Update the Physicians Statement for Disabled Person Plates/Placards (DOR-1776);
- Update the Application for Disabled Person Placard (DOR-2769);
- Modify related rejection verbiage; and
- Complete programming and user acceptance testing for required systems.

FY 2019 - Motor Vehicle Bureau

Management Analysis Spec I	480 hrs. @ \$18.42 per hr.	= \$ 8,842
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FY 2019 - Personnel Services Bureau

Administrative Analyst III	20 hrs. @ \$19.43 per hr.	= \$ 389
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Total Cost		\$ 9,231
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OA-ITSD services will be required at a cost of **\$23,004** (306.72 hours x \$75 per hour) in FY 2019.

ASSUMPTION (continued)

Administrative Impact (continued)

In summary, DOR assumes a cost of **\$32,235** (\$9,231 + \$23,004) in FY 2019.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb some of the costs related to this proposal; therefore, Oversight will reflect a fiscal impact of \$23,004 for IT services in FY 2019.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Cost - DOR - IT services</u>	<u>(\$23,004)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$23,004)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<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 exempts those who originally provided a physician statement as proof of a permanent disability from the need to provide additional physician statements to renew license plates or placards.

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

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SOURCES OF INFORMATION

Department of Revenue

Ross Strobe

A handwritten signature in black ink, appearing to read "Ross Strobe".

Acting Director
February 8, 2018