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471-0054

**LB 163**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES * |              |         |              |         |
|--|--------------|---------|--------------|---------|
|  | FY 2011-12   |         | FY 2012-13   |         |
|  | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS                                |              |         |              |         |
| CASH FUNDS                                   | \$38,000     |         | (\$44,704)   |         |
| FEDERAL FUNDS                                |              |         |              |         |
| OTHER FUNDS                                  |              |         |              |         |
| TOTAL FUNDS                                  | \$38,000     |         | (\$44,704)   |         |

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 163 requires the Department of Motor Vehicles (DMV) to develop and implement an electronic system for accepting and processing applications for handicapped or disabled parking permits. The system shall be implemented on or before January 1, 2013.

The bill provides for permits to be valid for six years rather than three years as is the case under current law. Counties will no longer be responsible for taking applications for permits. Permits may be applied for by handicapped individuals or their representatives, including health care providers, directly from DMV via a secure online process. Eligible persons may hold up to two permits, rather than one allowed by current law. Fines and penalties for violations of handicapped permit provisions appear to be unchanged.

DMV indicates there will be one-time expenses to design and implement a web-based system to allow handicapped persons or their representatives and health care providers to apply online for permits. The one-time cost is estimated to be \$38,000 of cash funds that will be spent in FY 2011-12.

After the system is implemented in FY 2012-13, DMV will experience a decrease in workload relative to the issuance of permits. The department estimates it can reduce a 1.0 Office Clerk III. Postage costs will also decrease since fewer permits will be mailed each year. Handicap placards expenses will be reduced because the permits will be issued for six years rather than three years. Microfilming of applications will also be eliminated. The total on-going annual savings pursuant to the electronic process will be \$44,704 of cash funds beginning in FY 2012-13.

**LB 163 FISCAL NOTE**

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**NEBRASKA DEPARTMENT OF MOTOR VEHICLES**

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Date Prepared: 20-Jan-11

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

|               | FY 2011-2012 |         | FY 2012-2013 |         |
|---------------|--------------|---------|--------------|---------|
|               | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS |              |         |              |         |
| CASH FUNDS    | \$ 38,000    |         | \$ (44,704)  |         |
| FEDERAL FUNDS |              |         |              |         |
| OTHER FUNDS   |              |         |              |         |
| TOTAL FUNDS   | \$ 38,000    | \$ -    | \$ (44,704)  | \$ -    |

Explanation of Estimate:

LB 163 changes provisions relating to handicapped parking permits and license plates and authorizes the development of an electronic application system.

DMV will incur one-time costs to design and implement a web-based process that can be done at physicians offices or online by applicants. It is estimated that such a system would cost \$38,000 to implement.

After implementation of the web-based system a reduction in work load, postage, handicap placards, and microfilming will reduce costs.

| Annual Cost Reductions | FY13      |
|------------------------|-----------|
| Office Clerk III       | \$ 40,533 |
| Postage                | \$ 2,300  |
| Handicap Placards      | \$ 1,371  |
| Microfilming Costs     | \$ 500    |
| Total Annual Savings   | \$ 44,704 |

| POSITION TITLE       | NUMBER OF POSITIONS |       | 2011-2012    | 2012-2013    |
|----------------------|---------------------|-------|--------------|--------------|
|                      | 11-12               | 12-13 | EXPENDITURES | EXPENDITURES |
|                      |                     |       |              |              |
| Benefits             |                     |       |              | \$ (29,951)  |
| Operating            |                     |       | \$ 38,000    | \$ (10,585)  |
| Travel               |                     |       |              | \$ (4,171)   |
| Capital Outlay       |                     |       |              |              |
| Aid                  |                     |       |              |              |
| Capital Improvements |                     |       |              |              |
| Total                |                     |       | \$ 38,000    | \$ (44,707)  |