

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See Below	See Below	See Below	See Below
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS				
TOTAL FUNDS				

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

LB 229 requires a criminal history record information check for all persons and agents of the Department of Motor Vehicles (DMV) who are involved in recording application information or operator's license and state identification card information or the manufacture or production of licenses or cards or who have the ability to affect information on license or cards. The requirement for a record check is effective on the date required by the director of DMV, which is to be on or before January 1, 2010. The cost of a background check is borne by the employer of the person or agent.

The bill also requires DMV to retain copies of source documents presented by individuals applying for operator's licenses or state identification cards. The maintenance requirement is effective on the implementation date established by the director of DMV, which shall be on or before May 11, 2011.

The bill will have a fiscal impact for DMV and counties to pay for criminal history record checks for employees involved in the issuance of operator's licenses and state identification cards. The State Patrol processes the record checks and indicates the current fee for a criminal record check is \$38. The Patrol retains \$15 of the fee which is deposited in the State Patrol Cash Fund. The remaining \$23 is forwarded to the FBI.

DMV indicates that 120 - 130 current employees will need to have a record check prior to January 1, 2010. Thereafter, expenditures for record checks will be incurred annually for new employees involved in the issuance of licenses and cards. DMV will have cash fund expenditures in 2009-10 of up to \$4,940 for the criminal record checks of current employees. Revenue for the State Patrol Cash Fund will increase by about \$1,950 in 2009-10 from the fees paid by DMV for the record checks. Both agencies indicate the provisions of the bill with regard to criminal record checks can be handled with existing resources and appropriation authority for the agencies.

Counties will also incur expenses to pay for record checks of employees involved in the issuance of licenses and cards. The fiscal impact for counties is unknown but is projected to be minimal for each county.

The provisions of the bill requiring DMV to retain copies of source documents will have a fiscal impact for DMV. The department intends to purchase and utilize a document imaging system in order to efficiently and securely maintain all of the source documents presented by individuals for licensing purposes. DMV indicates that federal funds received in 2009 from the Homeland Security Driver's License Security Grant program will likely be used to fund an a document imaging system. No estimate is currently available for the cost of an imaging system. It is estimated that the amount of federal funds received by the state will be more than sufficient to cover the cost of such a system.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
NEBRASKA DEPARTMENT OF MOTOR VEHICLES: Concur with Department of Motor Vehicles' analysis and estimate of incurred costs of up to \$2,600 Cash Funds expenditures for criminal history checks which could be absorbed within existing appropriations.					