

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 487** HLS 17RS 802

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 1, 2017 6:27 PM	Author: LANDRY, T.
Dept./Agy.: Dept. of Public Safety/Public Safety Services	Analyst: Zachary Rau
Subject: Production of Fraudulent IDs as Novelty Items, Penalties	

MOTOR VEHICLES EG SEE FISC NOTE SG RV See Note
Relative to fraudulent or fictitious identification credentials

Present law provides for the unlawful production, manufacturing, distribution, or possession of fraudulent documents for identification purposes. Proposed law specifies that language on a fraudulent identification document stating that it is a novelty item does not constitute a defense to a violation of present law. Present law states that certain language may appear on a credential indicating that it is for novelty purposes only. Proposed law modifies present law by removing the "novelty purposes" language and specifying that it does not constitute a defense to a violation of present law. Present law allows the Dept. of Public Safety, Office of Motor Vehicles to issue a cease and desist order to entities producing, manufacturing, distributing, or possessing fraudulent documents for identification purposes. Proposed law allows the Dept. of Public Safety, Office of Motor Vehicles to determine whether or not an entity violates a cease and desist order pursuant to present law. Proposed law further provides that the Dept. of Public Safety, Office of Motor Vehicles may levy a penalty of up to \$500 per day and court costs in the event an entity engages in behavior violating the cease and desist order.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

The Dept. of Public Safety reports that the proposed legislation will require 95 hours of overtime at a one-time SGF cost of \$5,529. The one-time SGF cost is to make changes to the Mapper/Bisprod system to allow the department to collect the \$500 per day fine if an entity is found in violation of a cease and desist order (see Revenue Explanation). The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the Department may require additional resources.

REVENUE EXPLANATION

Proposed law may increase SGR collections for the Dept. of Public Safety, Office of Motor Vehicles (OMV) by an indeterminable amount. Present law allows OMV to file a cease and desist order for persons or firms selling, advertising, or possessing noncompliant identification credentials. Proposed law further adds that OMV may seek a penalty of up to \$500 per day and court costs if entities issued a cease and desist order are found in violation of the order. Because the number of entities that may be issued a cease and desist order and/or the number of entities that may engage in activity violating the order is unknown, the potential revenue generated for OMV via the \$500 per day penalty and court cost awards is indeterminable.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director