



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **HB 496** HLS 18RS 884  
 Bill Text Version: **REENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 19, 2018 2:31 PM	<b>Author:</b> HAZEL
<b>Dept./Agy.:</b> Office of Motor Vehicles/Dept. of Veterans Affairs	
<b>Subject:</b> Driver's License Fee Increase, Provisions for Deposit	<b>Analyst:</b> Ryan Guidry

MTR VEHICLE/DRIVER LIC RE INCREASE SD RV See Note Page 1 of 2  
 Provides for a voluntary fee on driver's license applications to benefit the Military Family Assistance Fund

Proposed law allows an applicant to choose to donate \$1 in addition to the license fee for class D and E drivers licenses to the Louisiana Military Family Assistance Fund.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

The Department of Public Safety (DPS) estimates the proposed legislation will require 196 hours of overtime at a cost of \$12,925 (assumed to be SGF) to update the Unisys mainframe for the \$1 donation increase, as well as modifications to the finance system, ISIS system, and Mapper/Bisprod system. 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, DPS may require additional resources.

For those applicants that elect to make a \$1 donation, revenue will accrue to the LA Military Family Assistance Fund. While the proposed legislation allows for the fee revenue to be deposited into the fund, it does not alter the fund's purpose, functions, or associated expenditures. For reference, the LA Military Family Assistance Fund mainly receives revenues through donations, gifts, and grants. Resources in the fund are primarily used to pay need-based claims for family members of activated or honorably discharged military personnel as authorized by the LA Military Family Assistance Board. These funds are disbursed pursuant to LA R.S. 46:122, but the disbursements on a year-to-year basis are dependent on circumstances that are unpredictable and based upon identified need. For reference, the fund has received average deposits of \$91,788 during the three preceding fiscal years (FYs 15 - 17) and began FY 18 with a balance of \$429,833. The fund has disbursed \$115,528 to date and has a current balance of \$378,001.

**REVENUE EXPLANATION**

Proposed law will increase revenues for the statutorily dedicated LA Military Family Assistance Fund by an indeterminable amount annually. The proposed law allows an applicant on classes D and E of driver's licenses to donate \$1 in addition to the license fee to the LA Military Family Assistance Fund. To the extent that an applicant elects to make the donation, revenues to the LA Military Family Assistance Fund will increase accordingly.

**SEE REVENUE EXPLANATION CONTINUED ON PAGE 2**

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*  
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**Evan Brasseaux**  
**Staff Director**

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CONTINUED EXPLANATION from page one:

**REVENUE EXPLANATION CONTINUED FROM PAGE 1**

OMV states that the transition from a four-year credential to a 6-year credential pursuant to ACT 807 of 2014 creates an uneven distribution of license renewals, with years 5 and 6 of the credential cycle realizing fewer renewals. Years 5 and 6 of the renewal cycle will occur in FYs 20-21. For reference, DPS estimates the number of class D and E drivers license renewals by fiscal year: FY 19 - 761,683; FY 20 - 41,697; FY 21 - 32,934; FY 22 - \$649,104; FY 23 - 649,104.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

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