

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 162** SLS 24RS 441

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 20, 2024 5:29 PM	Author: CONNICK
Dept./Agy.: Office of Motor Vehicles	Analyst: John McKay
Subject: Provide for digital transaction providers.	

COMMERCIAL REGULATIONS

OR NO IMPACT See Note

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Provides for digital transaction providers to collect convenience charges, taxes and fees. (8/1/24)

Proposed law allows the commissioner to enter into an agreement with public or private persons or agencies to be digital transaction providers who can provide and renew digital credentials and provides a contract can be denied if the person or organization has violated any rule or regulation of the office of motor vehicles. Proposed law provides that digital transaction providers may collect registration license taxes and fees and may collect a convenience charge as provided in present law. Proposed law provides that the digital transaction provider must execute a surety bond of \$100,000 naming the Dept. of Public Safety and Corrections, office of motor vehicles, as obligee. Further provides the surety bond must be delivered to the Dept. of Public Safety and Corrections, office of motor vehicles. Proposed law requires the digital transaction provider to acquire a cyber liability insurance policy for \$1,000,000 that names the state of La., the Dept. of Public Safety and Corrections, office of motor vehicles, department employees, and the office of technology services and its employees as additional insureds.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law is permissive in nature and will not create a material expenditure impact. The state of Louisiana currently has a contract with a third-party application developer to deliver an electronic credential for driver's licenses and official identification cards issued by the OMV. Expenditures to further develop an interface a third-party might require is factored into the ongoing IT modernization project. OTS reports that most of the functionality currently exists in the legacy application.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

Patrice Thomas
Deputy Fiscal Officer