

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 481** HLS 16RS 859

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 3, 2016 12:21 PM	Author: JAMES
Dept./Agy.: Public Safety Services/Office of Motor Vehicles	Analyst: Zachary Rau
Subject: Electronic Delivery of Driver's Licenses and IDs	

MTR VEHICLE/DRIVER LIC

EG SEE FISC NOTE SG EX

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Provides relative to the issuance and possession of drivers' licenses

Present law requires persons licensed to drive motor vehicles in LA to have a license in their immediate possession at all times when driving a motor vehicle. Proposed law authorizes a licensee to have an electronic copy of their license provided by the Dept. of Public Safety & Corrections, Office of Motor Vehicles as an alternative to a physical license. Proposed law outlines requirements for what constitutes a digitized driver's license. Proposed law allows persons to use the digitized license in lieu of a physical license when stopped by law enforcement. Proposed law provides that the electronic credential shall not be a substitute for a physical license when a law enforcement officer requires a person to produce a physical driver's license. Proposed law provides that display of the digitized license shall not serve as consent to search the mobile device. Proposed law requires the department to indicate the new expiration date of a license when it is renewed by mail or electronic commerce.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	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>	<u>\$0</u>
Annual Total						

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
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Annual Total						

EXPENDITURE EXPLANATION

Staff at the Office of Motor Vehicles indicate that the current driver's license vendor, Morphotrust, currently has an application developed to deliver an electronic credential. OMV reports that utilizing the application in Louisiana will be optional, and the department intends to promulgate rules through the authority granted them in proposed law to assess a fee between \$3 and \$5 upon renewal of licenses for persons wishing to utilize the application. Revenues generated from the fee to use the application will then be forwarded to the vendor to defray costs associated with Louisiana citizens utilizing the application.

REVENUE EXPLANATION

The Office of Motor Vehicles reports an intent to promulgate rules assessing a fee between \$3 and \$5 for use of the electronic credential application provided by the current vendor, Morphotrust, though the bill does not explicitly require them to do so. Revenues generated from this fee will be forwarded to the vendor to defray any costs associated with Louisiana citizens utilizing the application. To the extent OMV promulgates rules regarding a fee for use of the application, the department may generate a significant increase in revenues that would then be forwarded to the driver's license vendor. Because the number of persons who will utilize the application is unknown, the amount of revenue generated from this source and then forwarded to the vendor is indeterminable, though potentially significant.

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

Evan Brasseaux
Staff Director