

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: HB 137
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB137-DOA-DMV-4-8-21
Title: MOTOR VEHICLE OFFICES
Sponsor: FIELDS
Requester: (H) STATE AFFAIRS

Department: Department of Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	419.8		419.8	419.8	419.8	419.8	419.8
Travel							
Services	162.7		162.7	162.7	162.7	162.7	162.7
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	582.5	0.0	582.5	582.5	582.5	582.5	582.5

Fund Source (Operating Only)

1005 GF/Prgm (DGF)	582.5		582.5	582.5	582.5	582.5	582.5
Total	582.5	0.0	582.5	582.5	582.5	582.5	582.5

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Updated to reflect out-year costs inadvertently ommitted from the initial version and updated analysis.

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Division:	Motor Vehicles	Date:	04/08/2021
Approved By:	Leslie Isaacs, Administrative Services Director	Date:	04/08/21
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. HB 137

Analysis

This bill removes the ability to close a State operated Division of Motor Vehicles (DMV) office in communities that have 850 or more citizens irrespective of need, economic conditions, demand for services, facility considerations, cost to the state, staffing provisions, technological advances, changes to the industry, or other unforeseen conditions. Passage of the bill would not allow DMV to establish a replacement partner when needed. It is unclear the negative effect that this will have on the DMV in future years because cost savings from transitioning to partnerships and closing a State operated DMV offices would not be available for consideration.

If this bill were enacted and the DMV budget is reduced by future legislatures or administrations the only cost saving alternative available is the elimination of PCNs or reduction in office hours, thereby reducing services offered to Alaskans.

Historically, at the end of the fiscal year, DMV lapses operating funds to the general fund and the effect of this bill will result in a decrease of DMV's contribution to the general fund. This legislation would require DMV to continue operating the six locations proposed to be transitioned to public-private partnerships and would require an increment of \$582.5 and six (6) PCNs compared to the FY2022 Governor's budget.