

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 1
 Bill Version CSHB 180(MLV)
 (H) Publish Date 3/18/11

Identifier (file name) HB180-DOA-DMV-03-11-11 Dept. Affected Administration
 Title Veteran Designation on Driver's License Appropriation Motor Vehicles
 Allocation Motor Vehicles
 Sponsor Rep. Saddler, Feige, Herron, Fairclough
 Requester House Military & Veterans Affairs OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES							
Personal Services							
Travel							
Services	57.2	0.0	0.0	0.0	0.0	0.0	0.0
Commodities	39.3	0.0	0.0	0.0	0.0	0.0	0.0
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	96.5	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES

CHANGE IN REVENUES	1005 GF/PR	693.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts	96.5	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health							
Other (please identify)							
TOTAL	96.5	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

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 Division Motor Vehicles
 Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 907-269-5574
 Date/Time 3/11/11 3:00 PM
 Date 3/11/2011

Analysis

This bill would require the Division of Motor Vehicles (DMV) to print a designator on a driver's license identifying the driver as a veteran. This bill would also require DMV to provide the name and address of the license holder to the Department of Military and Veterans' Affairs (DMVA).

Expenditures

- 1) Programming will be required to:
- add a 'veteran' field to DMV's database;
 - redesign the driver's license to accommodate a designation; and
 - produce a reporting feature for notification to DMVA.

Estimated hours: 400

Cost per hour: \$143

Total programming cost: $400 \times \$143 = \$57,200$

- 2) Cost to produce duplicate licenses for existing population of Alaska veterans. If the designator will provide benefits to the veteran, such as store discounts, DMV anticipates that 75% of qualified drivers will opt for the designator within the first year. Of those, approximately one-fifth will have licenses that expire in FY12.

77,000 Quantity of veterans in Alaska as of 09/30/10 per U.S. Dept. of Veterans Affairs

x 75% Estimated percentage of veterans opting for the designator

57,750 Quantity of veterans opting for the designation

x 80% Percentage of veterans who will obtain duplicate licenses (the designation will be added on the license of 20% when the veteran comes in for renewal during FY12)

46,200 Quantity of veterans obtaining duplicate licenses in FY12

x \$.85 Cost for license (printer ribbon, laminate, and card)

\$39,270 Total Estimated cost to produce duplicate driver's licenses in FY12

Revenue

The bill states, "The department may not charge a fee for the designation." It is unclear from this statement whether or not DMV may collect the standard fee for a driver's license per AS 28.15.271. DMV is making the assumption that the standard fees do apply.

46,200 Quantity of veterans obtaining duplicate licenses in FY12

x \$15 Cost of a duplicate license

\$ 693,000 Estimate additional revenue collected in FY12

Performance Measures

DMV currently produces about 270,000 driver's licenses and identification cards each year. The anticipated additional 46,200 customers in FY12 will impact DMV's ability to meet the performance measure of serving customers in an average of 20 minutes or less.