BDR 24-175
SB 230

EXECUTIVE AGENCY

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 20, 2023

Agency Submitting: Department of Motor Vehicles, Research and Project Management

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Contract Programmer Hours (Budget Account 4715 CAT 43) (Expense)		$131,654		
Card Production Cost for No-Charge Cards (Budget Account 4745 CAT 20) (Expense)		$36,525	$74,074	$148,148
Card Fee Cost for No-Charge Cards (Highway Fund) (Revenue)		($101,147)	($205,128)	($410,256)
Total	0	($269,326)	($279,202)	($558,404)

Explanation (Use Additional Sheets of Attachments, if required)

BDR 24-175/SB238 requires the Department of Motor Vehicles (DMV) to issue a photo identification (ID) card, free of charge, to a registered voter of this State who does not possess one of the acceptable forms of proof of identity, as defined in section 2, and who is experiencing financial hardship. Sections 1-46 become effective upon passage and approval for the purposes of adopting regulations and performing any other preparatory administrative and 1/1/2024 for all other purposes.

ID cards with 4 year expiration dates will be issued in order to comply with requirements listed in section 2.1(a)(3).

The DMV has reviewed this bill and determined there will be an impact as written. A new transaction will need to be programmed into the DMV system for staff to process such transactions.

DMV will create a new form to capture the attestation that they are experiencing a financial hardship, although no proof of such hardship will be required. These forms will be printed "as needed".

DMV is currently engaged in its “transformation effort” (DTE), to revise business processes, reorganize, and move systems to a cloud solution, improving DMV services and allowing online transactions. DTE project delivery will continue into 2026 and involves over 100 staff and contractors. The proposed effective date will require programming, testing and implementation in the legacy system and DTE, creating more risk and work. Due to DTE, DMV is unable to absorb work for changes. Work completed will be done by new contract programmers and will delay implementation of DTE by 19 weeks and increase the final costs of DTE.

Name Angela Smith-Lamb

Title DMV Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Tuesday, March 14, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director

BDR /Bill/ Amendment #: 24-175/SB238 Agency Name: **Department of Motor Vehicles**
Division Name: **RPM** Date: 3/9/23

Basis for Calculation:

(1) DMV's calculations to project the expected cost to implement ID cards to those Nevada registered voters who do not possess a form of proof of identity as described in section 2 of this bill and attest they are experiencing a financial hardship at no charge is based on the following assumptions: [a] DMV anticipates not all Nevada registered voters would qualify. [b] Information from the Secretary of State (SoS) office for figures associated with voters that did not have ID present for determining identity, in 2020, was approximately 21,241. As we were unable to obtain updated amounts for current statistics from SoS, we applied the five-year population projections as published by the NV State Demographer, NV Department of Taxation for the growth rate based on the 2020 estimates as follows: 2021=1.0% (21,453); 2022=1.4% (21,753); 2023=1.7% (22,123); 2024=1.6% (22,477); 2025=1.4% (22,792).

(2) DMV card production fee is $3.25 for each card produced. This cost was applied to the projected number of Nevada voter ID cards to determine the overall cost each fiscal year. FY24 is calculated at six months to account for the 1/1/2024 implementation date.

(3) DMV card fee is $9.00 for each card produced (Revenue Distribution-Highway Fund). This cost was applied to the projected number of Nevada voter ID cards to determine the overall cost each fiscal year. FY24 is calculated at six months to account for the 1/1/2024 implementation date.

(4) 1,201 estimated programming hours performed by contract programmers, at a rate of $109.62 per hour equals $131,653.62 cost to program the CARRS application to add a checkbox to waive the fees for a person who meets the requirements of section 3 of BDR 24-175/SB238.

Category	FY 22/23 *(Based on FY22 Actuals)*	FY 23/24	FY 24/25	Future Biennia (FY26 + FY27)
Contract Programmer Cost	$ -	$ (131,654.00)	$ -	$0
Card Production Cost for No-Charge Cards-Original Only ($3.25/card)	$ -	$ (36,525.00)	$ (74,074.00)	($148,148)
Loss of Revenue for Card Fee	$ -	$ (101,147.00)	$ (205,128.00)	($410,256)
		$ -	$ -	$0
		$ -	$ -	$0
Totals	**$ -**	**$ (269,326)**	**$ (279,202)**	**$ (558,404)**