

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-3514/1		Introduction Number SB-334	
Subject Operator's licenses			
Fiscal Effect			
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs			
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts			
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.395 (5) (cq)			
Agency/Prepared By DOT/ Erin Egan (608) 266-1449		Authorized Signature Julie Johnson (608) 267-3703	
		Date 9/27/2005	

Fiscal Estimate Narratives

DOT 9/27/2005

LRB Number	05-3514/1	Introduction Number	SB-334	Estimate Type	Original
Subject					
Operator's licenses					

Assumptions Used in Arriving at Fiscal Estimate

SUMMARY

Current law requires a person to prove their name and date of birth along with their identity in order to obtain a driver's license or identification card from DMV. SB 334 requires that each applicant for a driver's license or identification card prove that they are a U.S. citizen legally residing in Wisconsin or a legal alien legally residing in this state. If an applicant is a legal alien, DMV must put the date on which the person's legal alien status expires on their license or ID card.

ASSUMPTIONS

- All applicants must be checked to verify they are citizens, or legal aliens.
- All applicants for an original driver's license or identification card with a valid Social Security number, verified by the Social Security Administration, with a birth certificate showing they were born in the United States are assumed to be citizens. All other applicants will be checked for "legal presence". The department would utilize the Department of Homeland Security Systematic Alien Verification for Entitlements (SAVE) system to verify "legal presence".
- All applicants renewing a driver's license or identification card who have valid Social Security numbers on file, verified by the Social Security Administration, are assumed to be legal residents.
- Any applicant who does not provide or possess a valid Social Security number must prove citizenship or present documentation of legal alien status. It is estimated that 9% of applicants would be impacted, based on 2004 data and Wisconsin's initial experience with the SSOLV (Social Security Online Verification) system.
- The "legal presence" expiration date would be printed as a restriction on the driver's license or identification card.
- The department must make significant computer system changes to capture legal alien status information and verify the status of legal alien applicants. These changes would be impossible to make based on the current effective date in the draft. As such, the fiscal estimate was prepared based on a delayed effective date of at least twelve months for implementation.

CONCLUSION

As currently written, it would be difficult for WisDOT to implement this proposal. The bill does not specify how the department must identify aliens, so we must assume the intent is to make sure all driver's license and identification card (ID) applicants prove they are citizens or legal aliens of the United States.

One-time Costs

\$341,700 for data processing work to alter driver's license issuance system to capture legal alien status information, print "legal presence" expiration date on license, and build a link to SAVE system.

Ongoing Costs

\$164,377 ongoing cost increase for FTE and SAVE transaction costs.

BASIS FOR CONCLUSION

One-time costs

Data processing development of \$341,700 for 402 days, including CPU testing, @ \$850 per day (\$600 contract programmer; \$250 computer processing charges).

Ongoing costs

\$147,560 FTE cost increase

778,577 DL and ID originals and renewals X 9% = 70,072

70,072 @ 5 minutes each = 350,360 minutes

350,360 minutes / 60 = 5839 hours / 1725 hours (1 FTE) = 3.4 FTE

3.4 FTE @ \$43,400 = \$147,560

\$16,817 SAVE system transaction fees cost increase
778,577 DL and ID originals and renewals X 9% = 70,072
70,072 @ \$0.24 each = \$16,817

Long-Range Fiscal Implications

See above

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Operator's licenses			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$341,700 for data processing work.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$147,560	
(FTE Position Changes)		(3.4 FTE)	
State Operations - Other Costs		16,817	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$164,377	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S		164,377	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$164,377	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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