

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number **05-1944/1** Introduction Number **SB-42**

Subject
Identification required for voting in elections

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
 - Increase Existing Revenues
 - Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
- Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
- 1. Increase Costs 3. Increase Revenue
 - Permissive Mandatory
 - Permissive Mandatory
- 2. Decrease Costs 4. Decrease Revenue
 - Permissive Mandatory
 - Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others 0
 - School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS 20.395(5)(cq)

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DOT 2/7/2005

LRB Number 05-1944/1	Introduction Number SB-42	Estimate Type Original
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Assumptions Used in Arriving at Fiscal Estimate

SUMMARY

This bill requires persons attempting to vote to present a driver's license or identification card issued by DMV or an identification card issued by the U.S. armed service. This bill also requires DMV to issue original and renewed identification cards at no charge if the customer requests it. Identification cards are currently \$9.

ASSUMPTIONS

- 20% of Wisconsin residents who do not currently hold a driver's license or identification card will require service.
- 80% of applicants for an original or renewed identification card will request a free card.
- The department will not refund any fees paid for identification cards prior to the effective date of this bill.

COST SUMMARY

- \$58,750 estimated one-time costs for modifications to DMV issuance systems to allow for IDs without photographs.
- \$875,398 net loss of annual revenue for issuing free IDs to customers for which we previously collected fees.
- \$130,200 (3 FTE) net annual cost increase for issuing IDs to new customers who obtain them because they are now available for free.
- \$26,033 ongoing annual cost increase to pay DL ID vendor for additional ID products issued to new customers.

BASIS FOR COST SUMMARY

- \$58,750 estimated one-time costs to allow ID cards to be produced without a photograph as follows:
 - \$12,000 for modifications to digitized photo-ID system for template allowing "valid w/o photo" ID production based on typical modification costs charged by photo vendor for non-contractual changes.
 - \$46,750 for modifications to driver license / identification card issuance system to add "valid w/o photo" data element to issuance application for identification cards (40 days @ \$600 per day programmer cost plus \$250 per day CPU costs).

-Estimated Annual WisDOT revenue from ID fees (based on 2004 statistics):

Originals – 68,449 @ \$9 = \$616,041

Renewals – 53,134 @ \$9 = \$478,206

Total Annual Revenue \$1,094,247 @ 80% = \$875,398

Assuming 80% of those who currently pay for the ID card will now request it to be issued for no charge, the net loss of annual revenue will be \$875,398 (80% of total ID Original and Renewal revenue). If the department receives many complaints from angry customers who pay for the service and demand a refund, this proposal could lead to DMV issuing all ID cards at no charge as a policy to avoid this situation. This would cause an annual revenue loss of \$1,094,247.

-According to Census 2000, there are 3,994,919 residents 18 and older. According to DMV data, there are 3,872,122 residents who hold either a photo license or photo ID card. This leaves approximately 122,797 residents age 18 and older who hold neither a license nor an ID card. We estimate that 20% of this group, or 24,560 residents, will take advantage of access to a free ID card. Each ID takes 12.8 minutes to issue. This new work requires 3.0 FTE at an annual ongoing cost of \$130,200 (3@ \$43,400 TCR4 Salary and Fringe).

-Under contract WisDOT pays \$1.06 for each driver license ID product issued to cover equipment and materials costs. The 24,560 new customers would cause an ongoing annual cost increase of \$26,033 under WisDOT's new contract with our DL/ID vendor.

-If DMV determines that refunds would be issued to those who previously paid for ID documents, an additional

indeterminable number of staff would be needed to process these refund requests.

Long-Range Fiscal Implications

See above

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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 Corrected
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Subject			
Identification required for voting in elections			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$58,750 for modification to DMV issuance systems to allow identification cards without photos.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$130,200	
(FTE Position Changes)		(3.0 FTE)	
State Operations - Other Costs		26,033	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$156,233	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S		156,233	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-875,398
TOTAL State Revenues		\$	\$-875,398
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$156,233	\$
NET CHANGE IN REVENUE		\$-875,398	\$
Agency/Prepared By		Authorized Signature	Date
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