



## Fiscal Estimate Narratives

DOT 10/14/2011

LRB Number	11-2465/1	Introduction Number	SB-162	Estimate Type	Corrected
<b>Description</b> Notice of the fee for identification cards issued by the Department of Transportation.					

### Assumptions Used in Arriving at Fiscal Estimate

#### BILL SUMMARY

Under existing law, the Department of Transportation (DOT) must issue an original or renewal Identification Card (ID) or reinstate a cancelled ID card free of charge to any eligible applicant who requests the card free of charge for voting purposes. This proposal would require DOT to advise any person inquiring about obtaining an ID card that original issuance, renewal and reinstated ID cards available to an eligible applicant at no cost if requested for purposes of voting. All applicants for duplicate ID cards would continue to be charged the \$16 duplicate fee, as duplicate ID cards are not available free of charge.

#### ASSUMPTIONS

This proposal would provide ID cards at no cost to nearly all applicants, except those applying for a duplicate ID card, provided they ask for the product at no cost.

Following enactment of 2011 Wisconsin Act 23, DMV changed the ID card application form to include a check box, beside language stating, "I certify that I am a United States citizen, will be at least 18 years of age by the next election and require a Wisconsin Identification Card (ID) for free in order to vote." DOT assumes this existing form and statement would satisfy the notice requirements of this proposal so no printing costs are required

DOT staff will need to be trained to advise any person inquiring about issuance of an ID card or any person applying for an ID card who has not checked the box on the application form indicating they want the ID card for free, that ID cards may be available without charge if requested for the purpose of voting. The provision for issuing ID cards without charge does not apply to inquiries or applications relating to duplicate ID cards.

In all, DMV assumes up to 92% of all ID cards could be requested and issued free of charge, excluding duplicate IDs. With current demographics, 5% of ID cards are issued to children and 2.5% are issued to resident aliens, none of whom is eligible for a free ID card. Additionally, DOT assumes 0.5% of eligible applicants will choose to pay the fee because they do not request the card for voting purposes. This bill will result in 22% ID cards issued free of charge (from current 70% free to 92% free).

#### CONCLUSIONS

DMV assumes the statement already present on the ID card application form is sufficient to meet the requirements of this proposal so new or additional forms would not be needed.

DOT staff will need to be trained to advise any person inquiring about issuance of an ID card or those people applying for who have not checked the box on the application form indicating they want the ID card for free that ID cards may be available without charge if requested for purposes of voting.

Using these assumptions, this proposal should have an indeterminate, minimal increase of costs to DOT.

The bill will result in lost revenue currently collected for identification cards. In the fiscal estimate to 2011 Assembly Bill 7, enacted as 2011 Wisconsin Act 23, DOT estimated that the requirement to issue identification cards free of charge when requested for voting purposes would result in 100% of identification cards issued free of charge, with lost revenue of \$2,736,832 (97,744 ID cards at \$28 each). Since that law was enacted, the number of identification cards issued has increased 11.9%, from 97,744 in 2010 to a projected 109,399 in 2011. Approximately 70% of identification cards issued since 2011 Act 23 took effect have been issued free of charge. At current elevated issuance rates, DOT will collect fees for 32,819 ID cards, or \$918,951.

At current issuance rates, if 92% of ID cards are issued free of charge, this bill will result in annual lost revenue of \$673,904 (109,399 IDs X .22 all applicants who pay no fee = 24,068 free IDs x \$28 revenue loss each).

If the number of identification cards issued drops to pre-Act 23 rates (97,744 IDs) and if 92% of identification cards are issued free of charge, this bill will result in annual lost revenue of \$602,103 (97,744 IDs X .22 all applicants who pay no fee = 21,503 free IDs X \$28 revenue loss each).

Total estimated annual revenue loss: \$602,103-\$673,904

### **Long-Range Fiscal Implications**

See above.

## Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>11-2465/1</b>		Introduction Number <b>SB-162</b>	
<b>Description</b>			
Notice of the fee for identification cards issued by the Department of Transportation.			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-673,904
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>-\$673,904</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-673,904	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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