

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0556
Prime Sponsor(s): Rep. Exum

Date: February 18, 2013
Bill Status: House SVMA
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TITLE: CONCERNING PLACEMENT OF THE WORD "VETERAN" FOR VETERANS WITH PROPER DOCUMENTATION ON IDENTITY DOCUMENTS ISSUED BY THE DEPARTMENT OF REVENUE.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue Licensing Services Cash Fund	Potential increase. See State Revenue section.	
State Expenditures Cash Funds Licensing Services Cash Fund	\$72,800	
FTE Position Change		
Effective Date: August 7, 2013, if the General Assembly adjourns on May 8, 2013, as scheduled, and no referendum petition is filed, and applies to applications submitted on or after January 1, 2014.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill allows a U.S. military veteran to obtain a driver's license or identification (ID) card that has a veteran's identifier. The identifier can be acquired after presenting documentation demonstrating the applicant is an U.S. military veteran. The applicant must not have been dishonorably discharged. This documentation is only required for the initial license issuance. There is no cost to the veteran to add this identifier.

State Revenue

This bill may increase state revenue in the short term by an indeterminate amount if it motivates veterans to renew license and ID documents sooner than they would otherwise, so that they can immediately have this identifier. To the extent this occurs, an minor influx of applicants and revenue may follow, although no net long-term change in revenue is expected. It should be noted that this bill does not apply to the normal fees for a driver's license and identification card, and this fiscal note assumes these fees are paid with any issuance or renewal. These fees are approximately \$21, of which \$15 from each driver's license issued is deposited into the Highway Users Tax Fund.

State Expenditures

In FY 2013-14, the bill requires one-time expenditures of \$72,800 cash funds in the Department of Revenue. The system used to process driver's license and identification card transactions must be modified to accommodate the veteran's identifier option. In addition, this bill requires the modification of systems to accept a notification indicating a veteran's identifier is required on the card in cases of renewal and re-issuance. These programming changes also allow for printing the veteran's identifier on both types of cards.

Local Government Impact

This bill may increase local government expenditures by an indeterminate amount. To the extent this bill motivates applicants to renew sooner than they would otherwise, a corresponding increase in workload would occur within county issuance offices. However, any issuances in the near term would reduce the number of issuances later. Fifteen dollars from each driver's license issued is deposited into the Highway Users Tax Fund, and therefore any temporary increase in revenue to the HUTF will be reflected in local government distributions.

State Appropriations

The bill requires an appropriation of \$72,800 from the Licensing Services Cash Fund to the Department of Revenue for FY 2013-14.

Departments Contacted

Revenue Military and Veterans Affairs