

**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2009**

**Legislative Fiscal Note**

**BILL NUMBER:** Senate Bill 203 (First Edition)

**SHORT TITLE:** DMV to Issue Special ID Cards/Special Cir.

**SPONSOR(S):** Senator Berger of Franklin

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>
<b>REVENUES</b>	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)
<b>EXPENDITURES</b>	\$23,843	\$9,692	\$9,692	\$9,692	\$9,692
<b>POSITIONS (cumulative):</b>	NA	NA	NA	NA	NA
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Division of Motor Vehicles, Department of Transportation Information Technology					
<b>EFFECTIVE DATE:</b> Bill becomes effective when it becomes law.					

**BILL SUMMARY:** Senate Bill 203 requires the Division of Motor Vehicles to issue special identification cards, free of charge, to individuals who have a valid drivers license that is revoked based on an administrative decision regarding medical disqualification. The identification card is to be valid for a period of time that does not exceed the expiration date of the cancelled license.

**ASSUMPTIONS AND METHODOLOGY:** Based on Division of Motor Vehicles (DMV) estimates, the proposed bill will result in total lost revenues of \$75,000 each year. The average number of people whose licenses are cancelled each year due to a medical disqualification is 7,500. Currently, there is a \$10 charge to replace a driver's license with a special identification card based on a medical or physical condition, a charge which will be eliminated by this bill.

The total development cost to complete the programming required to implement this bill is \$23,843. This includes the planning, development, and implementation costs for both the DMV and the Office of Information Technology Services (ITS). For cost estimating purposes, DMV is using an hourly rate of \$85. Total planning and design phase costs are \$2,720, or 32 hours of an information technology professional's time. Most of the projected cost is for 148 hours of testing

during the execute and build phase, and includes ITS's costs, for a total of \$15,725. The implementation phase is estimated to cost a total of \$596, and DMV has allowed \$680 for project management. A change budget of 20% is also included.

Annual maintenance and operations costs following completion of the project are estimated at \$9,692, with \$8,500 required for maintenance and \$1,192 for operations. Any programming requires maintenance, and DMV has allowed 10 hours a month at \$85 an hour to maintain this application, covering their costs and ITS's. The estimated operations cost is based on five percent of the overall development cost.

Program costs were determined based on the assumptions listed below. Any changes to these assumptions will result in a change in the cost of the program.

1. The design and format of the identification card will be the same as the existing card and will not require any special markings or alterations.
2. No new special code or restriction will need to be created. The medical disqualification cancellation will require use of the Medical Driver Status code "D, which is what is currently used by the system to reflect a medical cancellation."
3. The no-fee rule would not have any exceptions after the fact.
4. Once the cancellation is rescinded, individuals requiring an original or renewal license would pay the normal fees.
5. Other than what is currently required, no special documentation or additional information will be recorded in the system.
6. The special identification cards will be issued on demand through the normal issuance process.

**SOURCES OF DATA:** Division of Motor Vehicles

**TECHNICAL CONSIDERATIONS:** Because of programming requirements, the DMV has proposed delaying the implementation until July 1, 2010.

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**DATE:** March 4, 2009



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