FISCAL IMPACT OF PROPOSED LEGISLATION   **Measure: HB 2421**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

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Measure Description:

Requires Director of Transportation to notify Director of Veterans' Affairs upon receipt of certain written information from member or veteran of uniformed service, if authorized to do so by member or veteran.

Government Unit(s) Affected:

Department of Veterans' Affairs, Oregon Department of Transportation (ODOT)

Summary of Expenditure Impact:

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	2013-15 Biennium	**2015-17 Biennium**
General Fund	$100,973	$32,634
Lottery Funds		
Other Funds		
Federal Funds		
Total Funds	**$100,973**	**$32,634**
Positions	4	3
FTE	0.27	0.33

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

Department of Motor Vehicles (DMV) will revise a minimum of five forms/applications to include an explanatory statement and signature line for a member or veteran of uniformed service to indicate authorization for their information to be sent to the Oregon Department of Veterans Affairs (ODVA). DMV will reprogram the Customer Information System (CIS), which is the main database used to keep track of customers and transactions, to include a notation when a member authorizes a release of their information to ODVA. Paper applications are currently processed through a 'remittance processor', which has limited capacity to transmit information to the CIS. Should a customer complete the veteran's information section, the form will need to be manually processed into the CIS. Additionally, qualified vehicle registrations may be processed online. DMV will revise this online application to include a new screen that a member may enter their name and address and check a box to certify authorization of submission of their information to ODVA.

Computer programming needed to CIS, the Computerized Vehicle Registration program and the online vehicle renewal application, are estimated to need 690 hours, .17 FTE, one-time temporary Information Systems positions estimated at $51,750 General Funds (GF) in 2013-15 biennium. Oregon Department of Transportation also anticipates the need for the Department of Justice to review new rules that would be needed to implement HB 2421; this is estimated at $1,430 in one-time (GF) in 2013-15 biennium.

DMV has determined that a standard one-time implementation cost of $22,500 General Funds (GF) in 2013-15 biennium is needed for standard execution of this bill. Additional manual workload for processing uniformed service applications is anticipated to effect four positions, .27 FTE, in the 2013-15 biennium at an estimated $25,293 GF. The additional workload in the 2015-17 biennium is anticipated to effect three positions, .33 FTE, estimated $32,634 GF.

ODOT suggests that there may be insufficient space remaining on the affected application forms, therefore DMV would need to increase the size of the applications. The increased costs, if all five forms are increased to legal-size, would result in $24,517 (GF) in 2013-15 biennium and $32,690 in 2015-17. These costs have not been included in the Summary of Expenditure Impact table (above), since it is indeterminate whether or not these forms will need to be increased in size.

Since HB 2421 does not relate to the regulation, operation or use of a motor vehicle, or primarily and directly facilitate motorized vehicle travel; the implementation of the bill is not a permissible use of State Highway Funds or Other Funds (OF). Calculations are based on an assumed effective date of January 1, 2014. Total authorized uniformed service applications are estimated to make-up 2% of *December 2012 Transactions Forecasts*.

There is no fiscal impact to the Oregon Department of Veterans' Affairs.