

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 2, 2023

Agency Submitting: Department of Motor Vehicles, Research and Project Management

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Contract Programming (Budget Account 4715 CAT 43) (Expense)			\$101,727	
Total	0	0	\$101,727	0

Explanation

(Use Additional Sheets of Attachments, if required)

BDR 7-405 (AB 14) relates to business licensing and would require the Secretary of State (SoS) to provide for the integration with the state business portal of licensing applications of state/local agencies and health districts, and also requires these agencies to assist the SoS with this integration. The bill also additionally identifies state agency and local agency for these purposes. The bill becomes effective on July 1, 2024.

The Department has reviewed this bill and determined there will be an impact as currently written. DMV utilizes a manual process for interacting and verifying licensure information with the SilverFlume application. Programming will be required to automate this process.

DMV is currently engaged in its "transformation effort" (DTE), to revise business processes, reorganize, and move systems to a cloud solution. This will greatly improve DMV services and allow customer transactions online. DTE project delivery will continue into 2026 and involves over 100 staff and contractors. The proposed effective date and bill provisions will require programing, testing and implementation in the legacy system and DTE. This creates risk and additional work. Due to DTE, DMV is unable to absorb work for changes. Work completed will be done by new contract programmers. Completion of this work in DTE will delay implementation of DTE by 20 weeks and increase the final costs of DTE.

Name Angela Smith-Lamb

Title DMV Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

The agency's response appears reasonable.

Date Thursday, March 02, 2023

Name Amy Stephenson

Title Director

BDR /Bill/ Amendment #: 7-405/AB14 Agency Name: **Department of Motor Vehicles**
 Division Name: **RPM** Date: **2/6/2023**

Basis for Calculation:

(1) Programming hours estimated by MVIT staff to be performed by MSA contractors for changes to the legacy application projected to be 928; multiplied by \$109.62 for standard hourly programmer cost gives an estimated total of \$101,727.36

Category	FY 22/23 (Based on FY22 Actuals)	FY 23/24	FY 24/25	Future Biennia (FY26 + FY27)
Contractor Programming	\$ -	\$ -	\$ 101,727.36	
	\$ -	\$ -	\$ -	\$0
Totals	\$ -	\$ -	\$ 101,727	\$ -