

BDR 40-324 AB 135

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 22, 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
Card issuance loss under 18 (Revenue)		(\$354)	(\$90)	(\$180)
Card issuance loss 18-25 (Revenue)		(\$801)	(\$198)	(\$396)
Card production loss (Revenue)		(\$673)	(\$169)	(\$338)
Programming cost (Expense)		\$99,864		
Total	0	(\$101,692)	(\$457)	(\$914)

Explanation

(Use Additional Sheets of Attachments, if required)

BDR 40-324 relates to homelessness and would revise several processes that allow such persons to: obtain copies of birth certificates; receive assistance when applying for state identification (ID) cards; revising DMV procedures for issuance of ID cards to such persons, and; requires certain counties to develop homeless strategy plans. Sections 1-6 of the BDR become effective on October 1, 2023 and sections 7-8 become effective on July 1, 2023.

The Department has reviewed this bill and determined there will be an impact as written. Currently persons under 25 who declare themselves homeless can get a one-time waiver from all fees to get an ID card; the bill's provisions would remove the one-time aspect of the waiver and make it available free every time for these persons. This would affect a limited subset of DMV customers applying for ID cards; in FY22 approximately 414 youth under 25 received a homeless waiver from ID card fees.

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 will require programming, testing and implementation in the legacy system, estimated at 911 hours. 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.

Name Angela Smith-Lamb

Title DMV Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Wednesday, February 22, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director

BDR /Bill/ Amendment #: 40-324

Agency Name: **Department of Motor Vehicles**

Division Name: **RPM**

Date: **1/31/2023**

Basis for Calculation:

(1) For FY22, 414 youth under 25 applied for a homeless waiver from fees for ID cards. Using this as a base figure and projecting that passage of the bill would make it easier for this population to apply for cards and removes the limit of a one time waiver, DMV anticipates there will be increased participation. DMV estimates FY23 participation will be flat from FY22, a 50% increase in homeless youths applying for ID's in FY24, and 25% increase from that figure in FY25.

(2) Split projected increases into age categories of under age of 18 and ages 18-24 based on percentages displayed in HUD data.

(2) Multiply increases in each year by ID card fees for each age category to calculate projected card fee loss to the Department. ID Cards for under 18 years of age = \$3. ID cards for over 18 years of age = \$9.

(3) Card production cost loss estimated at a flat \$3.25 per card.

(4) 911 estimated programming hours performed by contract programmers, at a rate of \$109.62 per hour equals \$99,863.82 cost to program the CARRS application for changes.

Category	FY 22/23 (Based on FY22 Actuals)	FY 23/24	FY 24/25	Future Biennia (FY26 + FY27)
Estimated card issuance lost revenue (under 18) - \$3 per card	\$ -	\$ 354.00	\$ 90.00	\$180
Estimated card issuance lost revenue (18-25) - \$9 per card	\$ -	\$ 801.00	\$ 198.00	\$396
Estimated Card production cost loss - \$3.25 per card	\$ -	\$ 673.00	\$ 169.00	\$338
Programming cost		\$ 99,864.00	\$ -	\$0
		\$ -	\$ -	\$0
Totals	\$ -	\$ 101,692	\$ 457	\$ 914

HUD 2022 Continuum of Care Homeless Assistance Programs-Homeless Populations and Subpopulations

State Name: Nevada

Summary of Persons In Each Household Type

Persons in households without children	Subtotal
Persons age 18-24	354
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Persons in households with at least one adult and one child	
Children under 18	493
Persons age 18-24	38
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Persons in households with only children	29
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Total:	914

Homeless Youth Age Categories		
Under 18	522	57%
18-24	392	43%
Total	914	

Projected Increased Participation			
	FY23 (flat from FY22)	FY24 (50% Increase)	FY25 (25% Increase)
Under 18	0	118	30
18-24	0	89	22
Total	0	207	52