

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 4, 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
Cost for creation and printing of controlled form requesting certificate of title (Expense)		\$1,760	\$1,760	\$3,520
Employee Wages (Budget Account 4741 Cat 01) (Expense)		\$231,708	\$320,874	\$641,748
Employee Equipment Costs (Budget Account 4741 Cat 04) (Expense)		\$7,412		
Employee Equipment Costs (Budget Account 4741 Cat 26) (Expense)		\$14,436		
Employee Operating Costs (Budget Account 4741 Cat 04) (Expense)		\$2,416	\$2,416	\$4,832
Contract Programmer Hours (Budget Account 4715 Cat 43) (Expense)		\$1,754		
Total	0	\$259,486	\$325,050	\$650,100

Explanation

(Use Additional Sheets of Attachments, if required)

AB 290 (BDR 43-620) relates to motor vehicles and authorizes, under certain circumstances, a dealer and purchaser to enter into a written return agreement to cancel a vehicle sale; and revises provisions relating to the registration of certain vehicles when the certificate of title is lost, unlawfully detained or otherwise not available. This bill becomes effective on October 1, 2023.

The Department has reviewed this bill and determined there will be a fiscal and procedural impact as currently written. A new controlled form with security features will need to be created for the request for certificate of title of cancelled sale vehicles and titling procedures will need to be altered to allow titles of canceled sale vehicles to be processed out of order from all other titles in order to comply with the 7 day timeframe, resulting in the addition of six (6) additional technician staff to the Central Services Division in order to process these types of title request transactions.

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 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 contract programmers.

Name Angela Smith-Lamb

Title Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Monday, April 03, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director

BDR /Bill/ Amendment #: AB 290/43-620 Agency Name: **Department of Motor Vehicles**
Division Name: **RPM** Date: **3/16/2023**

Basis for Calculation:

(1) Bill requires creation of new document/form for request for certificate of title; estimation for form cost based on supply for similar controlled document (secure power of attorney) with security features. Form orders are estimated as 8,000 forms per year, at an estimated cost of \$0.22 per form for an annual cost of \$1,760.

(2) Estimated usage of these forms based on number of title stop (function that includes cancellation of sales) transactions performed by CSD staff. 7,724 title stop transactions were completed in FY22. Transaction count was projected flat for future years.

(3) Processing of new title request transactions within the 7 day timeframe will require 6 additional DMV Technician II (grade 25 step 1) positions to the Central Services Division.

(4) Additional positions will require purchasing of equipment and operating supplies.

(5) Contractor programming estimated at 16 hours using an experienced contractor for programming changes; at \$109.62 per hour equates to \$1,753.92

Category	FY 22/23 (Based on FY22 Actuals)	FY 23/24	FY 24/25	Future Biennia (FY26 + FY27)
Cost for creation and printing of controlled form requesting certificate of title	\$ -	\$1,760.00	\$ 1,760.00	\$3,520
Salary/compensation costs for DMV Tech II position (x6)	\$ -	\$ 231,708.00	\$ 320,874.00	\$641,748
Position office equipment position costs (x6)	\$ -	\$ 7,412.00	\$ -	\$0
Position Computer equipment position costs (x6)		\$ 14,436.00	\$ -	\$0
Position operating costs per FTE (x6)		\$ 2,416.00	\$ 2,416.00	\$4,832
Contract Programmer Costs		\$ 1,754.00		
Totals	\$ -	\$ 259,486	\$ 325,050	\$ 650,100

**TEMPLATE FOR NEW STAFF
FY24/25 Biennium
4741 - Central Services**

On-Going Operating - CAT 04	Base Costs	FTE	Cost Detail Per FTE	Information
7020 - Operating Supplies, Consumable	\$ 6,343.51	130	\$ 48.80	Annualized by FTE based on FY22 Actuals / FTE for Budget Account
7023 - Operating Supplies, Tech supplies, consumable	\$ 6,214.96	130	\$ 47.81	Annualized by FTE based on FY22 Actuals / FTE for Budget Account
7024 - Operating Supplies, Tech supplies, non-consumable	\$ -	130	\$ -	Annualized by FTE based on FY22 Actuals / FTE for Budget Account
7027 - Operating Supplies, Non- Consumable	\$ 5,056.15	130	\$ 38.89	Annualized by FTE based on FY22 Actuals / FTE for Budget Account
7222 - Data Processing Supplies	\$ 18,453.12	130	\$ 141.95	Annualized by FTE based on FY22 Actuals / FTE for Budget Account
7289 - Phone Line and Voicemail	Per Person		\$ 87.48	per EITS schedule Annualized by FTE based on FY22 Actuals / FTE
7296 - EITS Long Distance	\$ 3,364.83	130	\$ 25.88	for Budget Account Annualized by FTE based on FY22 Actuals / FTE
7297 - EITS 800 Toll Free Charges	\$ -	130	\$ -	for Budget Account Annualized by FTE based on FY22 Actuals / FTE
7460 - Equipment < \$1,000	\$ 1,543.08	130	\$ 11.87	for Budget Account
			<u>402.68</u>	

**Standard Equipment
Year One Only**

Calculator	\$ 51.78
Electric Stapler	\$ 79.99
Secretarial Chair	\$ 332.00
Telephone	\$ 350.00
Wastebasket	\$ 18.00
Chair Mat	\$ 22.00
24" Privacy Screen Filters x2	\$ 184.00
Ergonomic Keyboard	\$ 197.64
Total	\$ 1,235.41

Laptop PC: Year 1

Hardware Laptop w/ operating system	\$ 1,579.00
Hardware Laptop Docking Station	\$ 189.00
Software MS Office Suite Pro	\$ 330.00
Software Exchange (CALs)	\$ 22.00
Visio	\$ 162.00
Software Windows License	\$ 124.00
Total Standard User	\$ 2,406.00