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FISCAL IMPACT STATEMENT

LS 7049

BILL NUMBER: HB 1130

NOTE PREPARED: Mar 31, 2009

BILL AMENDED: Mar 23, 2009

SUBJECT: Drivers Licenses.

FIRST AUTHOR: Rep. Barnes

FIRST SPONSOR: Sen. Merritt

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill:

- (1) adds provisions concerning licenses, permits, and identification cards for aliens lawfully admitted for temporary residence in the United States;
- (2) provides that if an individual is temporarily residing outside Indiana because of service in the armed forces of the United States, the individual's driver's license (which includes any type of license authorizing the operation of a motor vehicle on public streets and highways), despite expiring, remains valid for 90 days following the individual's discharge from service in the armed forces. (Current law similarly provides for a 90-day period of post-discharge validity, but it applies only to an individual's operator's license.);
- (3) allows the Bureau of Motor Vehicles (BMV) to adopt rules concerning the renewal of licenses by mail or electronic service; and
- (4) makes a technical correction and corresponding changes in related sections.

Effective Date: July 1, 2009; January 1, 2010.

Explanation of State Expenditures: (1 and 2) Adding provisions concerning licenses, permits, and identification cards for aliens lawfully admitted for temporary residence in the United States and expanding the validity of any type of license to 90 days will have a minimal fiscal impact. The fund affected is the Motor Vehicle Highway Account, which supports the Bureau of Motor Vehicles.

About 6,000 people who are residents of Indiana serving in the armed forces outside of Indiana potentially

could be affected by this provision.

(Revised) (3) Allowing the issuance of certain driver's licenses by mail or by electronic service will save the BMV money. The BMV reported in January 2008 the following costs on a per-vehicle registration: (a) \$1.72 for mail-in; (b) \$1.81 for online; and (c) \$6.44 for in-branch transactions. There would be credit card costs associated with online transactions, but not as much as on mail-in, since only 10% of BMV mail-in registration customers use a credit card. The fund affected is the Motor Vehicle Highway Account. The BMV issued just under 1.4 million driver's licenses in CY 2007. It is not known how many would qualify for remote renewal.

Adopting rules will be conducted under current rule-making procedures and will have no fiscal impact. The fund affected is the Motor Vehicle Highway Account.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles.

Local Agencies Affected:

Information Sources: Tom Applegate, Director of Department of Veterans Affairs, 317-232-3910; Dollyne Sherman, Deputy Commissioner of the BMV, 317-233-0216.

Fiscal Analyst: James Sperlik, 317-232-9866.