21.0331.01000

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**FISCAL NOTE**
**Requested by Legislative Council**
**01/08/2021**

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Bill/Resolution No.: HB 1168

1  A.  **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

| | 2019-2021 Biennium | | 2021-2023 Biennium | | 2023-2025 Biennium | |
|---|---|---|---|---|---|---|
| | **General Fund** | **Other Funds** | **General Fund** | **Other Funds** | **General Fund** | **Other Funds** |
| **Revenues** | | | | | | |
| **Expenditures** | | | | $1,390,000 | | $490,000 |
| **Appropriations** | | | | $1,390,000 | | $490,000 |

1  B.  **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| | 2019-2021 Biennium | 2021-2023 Biennium | 2023-2025 Biennium |
|---|---|---|---|
| **Counties** | | | |
| **Cities** | | | |
| **School Districts** | | | |
| **Townships** | | | |

2  A.  **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill will allow the DOT to implement an electronic driver license to be used for identification and for law enforcement purposes and to provide written Class D knowledge tests online.

B.  **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 would require NDDOT to develop an electronic driver's license with one-time costs estimated to be $1,000,000 for development and on-going maintenance costs estimated at $100,000 in subsequent biennia. Section 2 would require NDDOT to develop an on-line written test feature with on-going testing software costs estimated to be $390,000 per biennium.

3.  **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A.  **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

For the electronic driver's license (Section 1), the estimated one-time development costs are $1 million based on research from other state implementations. Also, there will be on-going maintenance costs of $100,000 per biennium.

For the on-line testing provision (Section 2), NDDOT would incur an estimated $390,000 per biennium for testing software costs. Currently, DOT conducts 26,000 Class D knowledge tests per year; if 75% of those tests were conducted online this would result in 19,500 online tests per year. The cost per test is approximately $10. This fee consists of the software hosting, maintenance, security, fraud prevention and any customization. These costs would result in approximately $390,000 per biennium.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

NDDOT would require an addition to the 21-23 appropriation of $1,390,000.

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  **Date Prepared:** 01/13/2021