



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0519 - Authorize digital drivers licenses through a mobile application (Mitchell, Braxton)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
Expenditures:				
General Fund	\$700,000	\$0	\$0	\$0
Revenue:				
General Fund	(\$660)	(\$660)	(\$660)	(\$660)
Net Impact-General Fund Balance:	<u>(\$700,660)</u>	<u>(\$660)</u>	<u>(\$660)</u>	<u>(\$660)</u>

Description of fiscal impact: With the passage of HB 519, the Department of Justice (DoJ) would see a one-time cost in the first year and a minor decrease in annual revenue.

FISCAL ANALYSIS

Assumptions:

Department of Justice – Motor Vehicle Division (MVD)

1. It is assumed that the Motor Vehicle Division (MVD) will initially need the Credentialing and Registration System (CARS) programmed to issue digital driver's licenses. The estimated quote received from the vendor is \$700,000.
2. It is assumed that the Montana Highway Patrol would see a slight decrease in revenue due to issuing fewer driving without a license citations. It is estimated that approximately 22 citations are written each year and that each fee is \$60, therefore it is estimated that the loss in revenue would be \$1,320. (22 X 60 = \$1,320)
3. 50% of revenue received from citations is deposited into the state general fund and 50% goes to the county in which the citation was written.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$700,000	\$0	\$0	\$0
TOTAL Expenditures	<u>\$700,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$700,000	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$700,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	(\$660)	(\$660)	(\$660)	(\$660)
TOTAL Revenues	<u>(\$660)</u>	<u>(\$660)</u>	<u>(\$660)</u>	<u>(\$660)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$700,660)	(\$660)	(\$660)	(\$660)

Effect on County or Other Local Revenues or Expenditures:

1. Half of fine revenue goes to the county in which the citation was written. As a result, the local governments would potentially see a decrease of \$660 in revenue.

B.M.
Sponsor's Initials

2-21-23
Date

[Signature]
Budget Director's Initials

2-20-23
Date