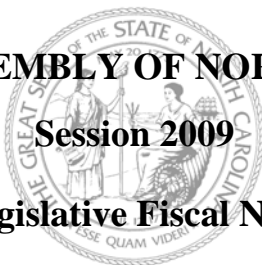


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: Senate Bill 203 (Third Edition)

SHORT TITLE: Handicapped Placards/Special ID Cards.

SPONSOR(S): Senator Berger of Franklin

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>
REVENUES					
Highway Fund	(\$11,610)*	(\$11,610)	(\$11,610)	(\$11,610)	(\$11,610)
* The \$11,610 in lost revenues in FY 2009-10 has not been prorated. The actual revenue loss will be less depending upon when the bill becomes law.					
EXPENDITURES					
Division of Motor Vehicles	\$23,843	\$9,692	\$9,692	\$9,692	\$9,692
POSITIONS (cumulative):	0	0	0	0	0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Division of Motor Vehicles, Department of Transportation					
EFFECTIVE DATE: Sections 1 and 2 become effective January 1, 2010. Section 3 becomes effective when the bill becomes law.					

BILL SUMMARY:

Sections 1 and 2 of Senate Bill 203 requires the Division of Motor Vehicles (DMV) to redesign the handicapped parking placard to include additional space to allow the expiration date to be visible from at least 20 feet. The bill requires DMV to issue a placard registration card with each issued placard. It requires (1) the card to be in the vehicle in which the placard is used and (2) the individual to whom the placard is issued to be the operator or passenger in the vehicle while the placard is displayed.

Section 3 amends G.S. 20-37.7(d) to add that a state resident who has been issued a driver's license that has been cancelled under G.S. 20-15, as a result of a physical or mental disability or disease, is exempt from paying the fee for a special identification card.

ASSUMPTIONS AND METHODOLOGY:

Sections 1 and 2:

DMV uses an outside vendor to produce the handicap placards. Currently, the placards have a small column of months and years that are punched to reflect the expiration date. This bill requires the expiration date to be written large enough to be read from 20 feet away. The size of the placard will increase due to the expiration date requirement. The current vendor has indicated it will be unable to produce a placard to accommodate these changes. It is not known if the cost to produce the larger placard will exceed current costs, but it is anticipated that any increase will be minimal.

Section 3:

Based on Division of Motor Vehicles (DMV) estimates, the proposed bill will result in total lost revenues of \$11,610 each year. In FY 2007-08, DMV processed 1,161 driver's license cancellations due only to a medical condition. Currently, there is a \$10 charge to replace a driver's license with a special identification card based on a medical or physical condition, a charge which will be eliminated by this bill.

The total development cost to complete the programming required to implement this bill is \$23,843. This includes the planning, development, and implementation costs for both the DMV and the Office of Information Technology Services (ITS). For cost estimating purposes, DMV is using an hourly rate of \$85. Total planning and design phase costs are \$2,720, or 32 hours of an information technology professional's time. Most of the projected cost is for 148 hours of testing during the execute and build phase, and includes ITS's costs, for a total of \$15,725. The implementation phase is estimated to cost a total of \$596, and DMV has allowed \$680 for project management. A change budget of 20% is also included.

Annual maintenance and operations costs following completion of the project are estimated at \$9,692, with \$8,500 required for maintenance and \$1,192 for operations. Any programming requires maintenance, and DMV has allowed 10 hours a month at \$85 an hour to maintain this application, covering their costs and ITS's. The estimated operations cost is based on five percent of the overall development cost.

Program costs were determined based on the assumptions listed below. Any changes to these assumptions will result in a change in the cost of the program.

1. The design and format of the identification card will be the same as the existing card and will not require any special markings or alterations.
2. No new special code or restriction will need to be created. The medical disqualification cancellation will require use of the Medical Driver Status code "D, which is what is currently used by the system to reflect a medical cancellation."
3. The no-fee rule would not have any exceptions after the fact.
4. Once the cancellation is rescinded, individuals requiring an original or renewal license would pay the normal fees.
5. Other than what is currently required, no special documentation or additional information will be recorded in the system.

6. The special identification cards will be issued on demand through the normal issuance process.

SOURCES OF DATA: Division of Motor Vehicles

TECHNICAL CONSIDERATIONS:

Due to required programming changes to DMV's State Automated Driver License System, DMV requests the proposed effective date for Section 3 be changed to July 1, 2010. DMV requests the implementation date for Sections 1 and 2 also be delayed until July 1, 2010 in order to exhaust the current stock and accommodate the procurement process.

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DATE: July 29, 2009



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