

February 19, 2014

The Honorable Richard Proehl, Chairperson
House Committee on Transportation
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2622 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2622 is respectfully submitted to your committee.

HB 2622 would require the Division of Vehicles of the Department of Revenue to issue a limited driver's license, limited and restricted license, or limited instruction permit to any individual who: (1) is defined as a resident of Kansas; (2) has not been issued a Social Security number; and (3) does not provide satisfactory documentary evidence of United States citizenship or lawful presence. Each limited driver's license, limited and restricted license, or limited instruction permit must contain a notice on its face that the license or permit is not acceptable for any of the purposes specified by the Real ID Act of 2005, or for the purposes of voting, the purchase of a firearm, or eligibility for public benefits. The effective date of this bill would be July 1, 2014.

Estimated State Fiscal Effect				
	FY 2014 SGF	FY 2014 All Funds	FY 2015 SGF	FY 2015 All Funds
Revenue	--	--	--	--
Expenditure	--	\$245,692	--	\$475,792
FTE Pos.	--	6.00	--	6.00

The Department of Revenue indicates that HB 2622 could increase fraud-related activity since it would require the Division of Vehicles to issue driver's licenses to individuals without the ability to verify their personal identifiable information and eligibility. Further, the Department indicates that every state that has enacted legislation allowing illegal immigrants to qualify for a driver's license has experienced a rise in fraud. The Department estimates the fraud

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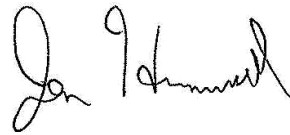
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that could result with the enactment of this bill would increase expenditures from the Division of Vehicles Operating Fund by \$245,692 in FY 2014 and \$475,792 in FY 2015 for the addition of 4.00 Enforcement Agent and 2.00 Special Investigator II FTE positions. The Division of Vehicles Operating Fund is financed by transfers from the State Highway Fund.

The estimate for FY 2014 includes annual costs of \$102,064 for salaries and wages and \$8,840 for contractual services and commodities, in addition to one-time costs totaling \$134,788 for vehicle purchases. The FY 2015 estimate includes annual costs of \$440,434 for salaries and wages and other operating expenditures, and a one-time cost of \$35,358 to purchase one vehicle. The Department also indicates that the bill could increase revenues from driver's license fees, but a precise amount of new revenue for the Department cannot be determined. Any fiscal effect associated with HB 2622 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell". The signature is written in a cursive style with a large initial "J" and "H".

Jon Hummell,
Interim Director of the Budget

cc: Steve Neske, Revenue