

**DRIVER'S  
LICENSE  
FOR ALL  
BALLOT  
INITIATIVE**



# FISCAL IMPACT

**Date:** December 1, 2017  
**Ballot**  
**InitiativeStatus:** Initiative #82 Pending  
**Fiscal Impact** Driver's License for All  
**by:** Committee/Licencias Para Todos

**BALLOT INITIATIVE TOPIC: ID DOCUMENTS UNLAWFUL PRESENCE**

Fiscal Impact Summary	FY 2016-2017	FY 2018-2019
<b>State Revenue</b>	<b><u>\$1,150,872</u></b>	<b><u>\$17,261,744</u></b>
Cash Funds	\$1,150,872	*\$17,261,744
<b>State Expenditures</b>	<b><u>\$ 767,662</u></b>	<b><u>\$ 8,232,627</u></b>
Cash Funds	\$ 597,445	* \$ 10,720,840
Centrally Appropriated Costs	\$ 170,217	\$ 3,438,470
<b>TABOR Impact</b>		\$17,261,744
<b>FTE Position Change</b>	10.0 FTE	60.0 FTE
<b>Appropriation Required:</b> \$17,261,744– Department of Revenue (FY 2018-19).		
<b>Future Year Impacts:</b> Ongoing revenue and expenditure increases.		

**Note: This is a ballot initiative.**

**Summary of Ballot Initiative**

The ballot initiative #82 expands the Colorado Road and Community Safety Act (Senate Bill 13-251) driver's license, instruction permit, and identification card program for individuals not lawfully present or temporarily lawfully present in Colorado. Under the ballot initiative, all of Department of Revenue offices in Colorado shall issue SB 13-251 driver's licenses, instruction permits, and identification cards (SB 13-251 documents) the initiative effective upon passage. There shall not be any limits to the number of identification documents issued. This ballot initiative purpose is to improve SB-251 implementation.

The ballot initiative also expands the types of documents that shall be accepted by Department of Revenue offices in Colorado offices from a SB 13-251 document applicant. Specifically, the ballot initiative adds an individual's social security number, documentation for which shall include a social security card itself or any other documentation acceptable to DOR, to the list of acceptable SB 13-251 identification documents. Additionally, the ballot initiative allows SB 13- 251 documents to be reissued or renewed following the same procedures as available to other license, permit, or identification card holders in Colorado.

## **Background**

SB 13-251 document applicants may apply by appointment only at one of three Department of Revenue offices in Colorado: Colorado Springs, Denver, and Grand Junction. Pursuant to the 2015 Session Laws, the DOR will discontinue issuing SB 13- 251 documents from the Colorado Springs and Grand Junction offices when issuance falls below 5,000 per month or total appointments served has reached 60,000 not part of SB251 law but an administrative DOR decision. Since implementation of SB 13- 251 on August 1, 2014, DOR has offered 31 appointments per day per office and issued 18,508 driver's licenses, 3,019 instruction permits, and 2,713 identification cards for a total of 24,240 issued documents. The DOR expects to reach the 60,000 mark in November 2017. As of November 2017, Department of Revenue office in Aurora, Colorado has opened for renewing process only.

## **State Revenue**

The ballot initiative is expected to increase state cash fund revenue from fees of \$17,261,744 in FY 2018-19 in the Licensing Services Cash Fund in DOR.

**Assumptions.** Revenue estimates are based on the expected document issuance rate under the initiative of 247,500 per year —990 documents per office, all Department of Revenue offices in Colorado and 250 government business days per year — and the current issuance rates of each document type since SB 13-251 implementation is a grand total of \* \$17,261,744:

- 188,966 driver's licenses at a cost of \$79.58 each, for a total of \$15,037,914 per year;
- 30,814 instruction permits at a cost of \$48.19 each, for a total of \$1,484,927 per year; and
- 27,695 identification cards at a cost of \$26.68 each, for a total of \$738,903 per year.

## **TABOR Impact**

This ballot initiative increases state revenue from fees, which will increase the amount of money required to be refunded under TABOR. TABOR refunds are paid out of the General Fund. TABOR refund is expected in FY 2018-19.

## **State Expenditures**

The ballot initiative will increase state cash fund expenditures by \*\$8,232,627 and 60.0 FTE in FY 2018-19 from the Licensing Services Cash Fund in DOR. Expenditures are outlined in Table 1 and discussed below.

<b>Table 1. Expenditures Under Ballot Initiative</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Personal Services	\$423,334	\$2,540,007
FTE	10.0 FTE	60.0 FTE
Operating Expenses and Capital Outlay Costs	105,306	190,000
Document Production	68,805	2,064,150
Centrally Appropriated Costs*	170,217	* 3,438,470
<b>TOTAL</b>	<b>\$767,662</b>	<b>*\$8,232,627</b>

\* Centrally appropriated costs are not included in the initiative appropriation.

**Assumptions.** Expenditure and staffing assumptions for the all Department of Revenue offices in Colorado offices are based on the current staffing plan for the existing three offices currently offering SB 13-251 services and the SB 13-251 call center. The fiscal impact also assumes that all offices appropriated in the ballot initiative will open as soon as the ballot initiative passes, therefore all necessary computer programming required by the ballot initiative will be accomplished during the Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES) technology, which is fully operational in all Department of Revenue offices in Colorado with the driver's license online by March 2019.

**Personal services.** Each of the all offices will employ 3.0 FTE Technician staff to review documentation, perform written and driving tests, and other functions related to the SB 13- 251 licensing, for a total of 60.0 FTE. In addition, 70.0 FTE Administrative staff will be hired for the SB 13-251 call center. Beginning in FY 2018-19, standard supply and telephone expenses are included for all FTE each year.

**Documentation production.** The cost to produce SB 13-251 documents is \$4.17 per document and the total production cost is based on the assumed rate of issuance.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this ballot initiative are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this initiative. Leased space is included to show the incremental impact of the additional FTE, and calculated at DOR's rate of 200 square feet per FTE at a rate of \$27 per square foot. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

<b>Table 2. Centrally Appropriated Costs Under the Ballot Initiative</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2018-19</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$79,991	\$1,599,810
Supplemental Employee Retirement Payments	36,226	758,660
Leased Space	54,000	1,080,000
<b>TOTAL</b>	<b>\$170,217</b>	<b>*3,438,470</b>

**Effective Date**

This ballot initiative will take effect upon passage.

**State Appropriations**

In FY 2018-19, the ballot initiative #82 requires and includes an appropriation of \*\$10,720,840 from the Licensing Services Cash Fund and an allocation of 60.0 FTE to the Department of Revenue.

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