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FISCAL NOTE

Drafting Number: LLS 20-0546
Prime Sponsors: Sen. Scott

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Bill Status: Senate SVMA
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Bill Topic: KIOSK PROGRAM PROVIDER VEHICLE AND IDENTITY SERVICES

- Summary of Fiscal Impact:
- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

This bill makes the pilot kiosk program administered by the Department of Revenue a permanent program, expands the services the program may provide, eliminates the convenience fee cap, and adds data security and accessibility requirements to the program. It results in a one-time increase in state expenditures and workload in FY 2020-21.

Appropriation Summary: For FY 2020-21, the bill requires an appropriation of \$112,500 to the Department of Revenue.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 20-035

Table with 3 columns: Category, FY 2020-21, FY 2021-22. Rows include Revenue, Expenditures (Cash Funds), Transfers, and TABOR Refund.

Summary of Legislation

Under current law, county clerks, acting as authorized agents of the Department of Revenue (DOR), may elect to participate in a kiosk pilot program to offer motor vehicle registration renewals through a private provider. This bill eliminates the program's pilot status and converts it to a regular program. Additionally, the bill expands the services that may be offered through the kiosk program, eliminates the current convenience fee cap of \$3, and adds data security and accessibility requirements for kiosk providers.

Background

As part of the kiosk program, county clerks elect to enter into an agreement with a private provider to supply kiosk services in their county. Currently, 13 counties (Adams, Arapahoe, Boulder, Broomfield, Douglas, El Paso, Fremont, Jefferson, La Plata, Larimer, Mesa, Pueblo, and Weld County) have kiosk provider agreements and operate a total of 41 kiosks. Under current law, kiosks may only perform certain transactions, including: motor vehicle registration, issuing certificates of title, and issuing driver licenses. Currently, kiosks only perform vehicle registration renewals. On average, there are approximately 222,000 kiosk transactions performed each year, compared to approximately 16 million transactions completed through motor vehicle offices.

DOR establishes and manages the kiosk transaction and printing standards, the interface between the kiosk provider and the Colorado Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES), and the payment engine used in the kiosk program.

Assumptions

This fiscal note assumes that kiosk transactions will be expanded to include requests for a duplicate title, requests for a duplicate registration card, replacement of tabs, add or modify a vehicle address, check a title status, and renew a driver license or identification card.

State Expenditures

For FY 2020-21 only, the bill increases state cash fund expenditures by \$112,500 from the DRIVES Vehicle Services Account in DOR, and increases workload in DOR and the Office of Information Technology (OIT).

Department of Revenue. One-time programming costs of \$112,500 are required to update the DRIVES system. Programming costs assume 500 hours at a rate of \$225 per hour. Activities include development, testing, and project administration. Additionally, workload will increase in DOR to engage in any required rulemaking and to update forms, manuals, and the department's website to reflect the change in law, as well as provide training to authorized agents, Vehicle Services Section staff, law enforcement and other entities affected by this bill.

Office of Information Technology. Workload will increase for OIT to review the system security plan for kiosks and to test kiosks for compliance with ADA requirements. This cost is estimated at approximately \$6,000, and can be accomplished with existing appropriations.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2020-21, the bill requires an appropriation of \$112,500 from the Colorado DRIVES Vehicle Services Account to the Department of Revenue.

State and Local Government Contacts

County Clerks

Information Technology

Revenue