

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2025 REGULAR SESSION**

MEASURE

2025 BR NUMBER 1762

HOUSE BILL NUMBER 518

TITLE AN ACT relating to the issuance of identity documents.

SPONSOR Representative Savannah Maddox

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE STATE
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: Vehicle Regulation

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			(Indeterminable)
EXPENDITURES		\$3,880,000	\$3,120,000
NET EFFECT		(\$3,880,000)	(Indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of this bill is to require the Transportation Cabinet (KYTC) to expand the issuance of drivers' licenses and personal identification cards to the circuit clerks in every county. The measure requires KYTC to purchase and install all the equipment needed to perform these services. Finally, it allows the circuit clerks to retain 25% of a portion of the fees for any document processed by the circuit clerks.

FISCAL EXPLANATION: The language in the bill requires KYTC to purchase and install all the necessary equipment for all 120 counties to issue the identity documents. KYTC has estimated that each workstation would cost \$32,400 to establish, which includes vision testing equipment, hardware, and network connections, with \$26,000 in annual recurring costs. In total, there would be \$3,880,000 in initial year costs and \$3,120,000 in annual recurring costs. This analysis assumes one workstation per county, but some counties could need several to serve constituents.

In addition to the increased expenditures, this bill redirects 25% of the license fund fees generated by the circuit clerks out of the Road Fund and to the circuit clerks. The total would depend on the number of people who would obtain identity documents from the circuit clerks instead of regional licensing offices. Therefore, the impact to revenue is indeterminable.

The estimates used for this fiscal note were obtained last year from KYTC. KYTC was contacted regarding this measure, but as of this note's preparation, no information has been received.

DATA SOURCE(S): LRC Staff, KYTC

PREPARER: Justin Perry NOTE NUMBER: 68 REVIEW: JMR DATE: 2/27/2025