

VETO MEASURE

March 22nd, 2019

Pursuant to Article V, Section 9 of the North Dakota Constitution, I have vetoed Senate Bill 2244 and return it to the Senate unsigned.

Senate Bill 2244 doubles the fees for noncommercial and commercial driver's licenses, impacting more than 163,000 North Dakotans every biennium. The additional \$5.5 million collected by this bill comes directly out of the pockets of state citizens and imposes an unnecessary additional burden on our residents.

This fee increase was not requested in the executive budget. Throughout our strategic review and budgeting process, agencies focused on innovation and reinvention to find ways to fund priorities without exceeding ongoing revenues. Within this framework, the executive budget recommended \$22.5 million to transition our driver's license system from an outdated mainframe. With technology advancements and new methods of service delivery, the transactional cost of providing driver's licenses can be reduced.

Before any fee increase is adopted, especially a fee that doubles the price of a monopolized service essential to nearly all North Dakotans, further study is warranted. Senate Bill 2130 was signed into law on March 8, 2019, requiring a comprehensive study of state agency fees, including department of transportation fees. Senate Bill 2130 will enable significant information gathering on these fees, to identify a more holistic approach.

Until then, I remain unconvinced that this 100% fee increase is necessary.