

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-1273/1	Introduction Number AB-256
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Subject
 Operating after revocation

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input checked="" type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input checked="" type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
		<input type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities
		<input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others
		<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.395(5)(cq)	

Agency/Prepared By DOT/ Erin Egan (608) 266-1449	Authorized Signature Carol Buckmaster (608) 267-6979	Date 4/12/2005
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Fiscal Estimate Narratives

DOT 4/12/2005

LRB Number 05-1273/1	Introduction Number AB-256	Estimate Type Original
Subject Operating after revocation		

Assumptions Used in Arriving at Fiscal Estimate

BILL SUMMARY

- Removes court-ordered suspensions for failure to pay child support. The Department of Workforce Development still has the authority to suspend, under s. 49.857.
- Eliminates driver's license suspensions for drug offenders. Federal law 23 U.S.C. Section 159 requires states pass legislation to suspend or revoke operating privileges for drug offenders. In lieu of passing legislation, both the governor and both houses of the legislature must resolve to pass a waiver in lieu of the law suspending driver licenses for drug offenses.
- All first offense operating after revocation (OAR) would be civil offenses.
- All revocations or suspensions shall be for one year, unless otherwise specified by statute. Current law states that a person convicted of four or more OAR violations in a five year period be revoked for six months, unless a lesser period of revocation is ordered by the courts under s. 343.30 (1g)(b). This bill retains the language that requires a revocation for a fourth/subsequent OAR. However, the bill also strikes the language requiring a six-month revocation, and repeals the section of law that allows courts to order a period of revocation that is less than six months. As such, all drivers convicted of four or more OAR violations in a five year period would be subject to a one year revocation.
- The list of as major violations for Habitual Traffic Offenders (HTO) would change. Falsifying application to the department and refusing to submit to a test for intoxication would no longer be considered major traffic offenses for HTO. Negligent homicide, reckless driving, operating while intoxicated, failure to stop for an accident, eluding an officer would still be considered major traffic offenses. Finally, only crimes that are felonies under chapter 346 would be counted.
- Only violations of Chapter 346 would be counted towards the list of minor offenses for HTO. This eliminates equipment violations, and violations such as operating while suspended/revoked.

ASSUMPTIONS

- DMV receives less than 10 court-ordered driver's license suspensions annually for failure to pay child support. This will have no workload impact on DMV. The Department of Workforce Development will continue to suspend for failure to pay child support.
- DMV will no longer process driver's license suspensions for violations of Chapter 961.
- If s. 961.50 is repealed and Wisconsin does not pass a resolution requesting a waiver from 23 U.S.C. Section 159, Wisconsin will be found in non-compliance, resulting in the loss of federal highway funds.
- Decriminalizing all first OARs will have a minimal workload impact on DMV.
- New withdrawal cases will result for 4th and subsequent OARs. DOT must administratively revoke drivers for 4th and subsequent OARs for one year. Under current law, these drivers are currently revoked for six months or less. It is known that 75% of revoked/suspended drivers continue to drive. Since the revocation period will double, and these drivers continue to drive, new withdrawal cases will result as these drivers are subject to a longer revocation.
- HTO cases will decrease, as most HTO cases are the result of Operating While Suspended (OWS) or OAR violations. AB 256 removes these violations from the list of offenses that are counted for HTO cases. However, HTO cases are set up automatically by our computer system, so the decrease in HTO cases will have a minimal workload impact.

CONCLUSION

Ongoing costs:

\$42,240 ongoing cost increase for salary/fringe to process additional revocation cases for 4th and subsequent OAR convictions, due to extended revocation period.

\$134,400 ongoing cost savings for salary/fringe since DMV will no longer process driver's license suspensions

for violations of Chapter 961

Ongoing revenue:

\$121,550 increased revenue from reinstatement fees for 4th and subsequent OAR convictions, due to extended revocation period.

\$378,350 decreased revenue since DMV will no longer process driver's license suspensions for violations of Chapter 961 (and will not collect reinstatement fees)

BASIS FOR CONCLUSION

\$42,240 ongoing cost increase for salary/fringe to process additional revocation cases for 4th and subsequent OAR convictions, due to extended revocation period.

In 2004, there were 21,520 4th and subsequent OAR cases.

According to a study conducted of revoked/suspended drivers in Wisconsin, released in May 2002, 75.3% of revoked/suspended drivers continue to drive after their privileges have been withdrawn.

We estimate that 50% of these drivers will be cited for OAR during the twelve months that their license is revoked. Of this group, 50% will be cited during the initial six-month period, which is in effect today, and the other 50% will be cited during the additional six-month period administratively imposed as the result of this bill. All of the drivers who receive a citation will result in a new withdrawal case.

$21,520 * 75.3\% = 16,204$ revoked drivers who continue to drive

$16,204 * 50\% = 8,102$ will be cited

$8,102 * 50\% = 4,051$ drivers will be cited in the last six months of their revocation.

4,051 new withdrawal cases will result annually, requiring 1.1 FTE to set up the case, answer telephone calls, and process the reinstatement.

$1.1 \text{ FTE} * \$38,400 \text{ salary/fringe (TCR 3, central office)} = \$42,240$

Of the 4,051 new withdrawal cases, it is estimated that 60% will reinstate their license and pay a \$50.00 reinstatement fee.

$4,051 * \$50 = \$121,550$ increased revenue

\$134,400 cost savings since DMV will no longer process driver's license suspensions for violations of Chapter 961

In 2004, DMV processed 12,612 driver's license suspensions related to drug convictions under chapter 961. This results in an FTE savings of 3.5

$3.5 \text{ FTE} * \$38,400 \text{ salary/fringe (TCR 3, central office)} = \$134,400$

Of the 12,612 driver's license suspensions related to drug convictions processed in 2004, it is estimated that 60% would have reinstated their license and paid a \$50.00 reinstatement fee. This revenue would no longer be collected.

$12,612 * \$50 = \$378,350$ decreased revenue

Long-Range Fiscal Implications

\$23,465,571 loss of federal highway funding annually, until both houses of the legislature and the governor passed a resolution requesting a waiver from 23 U.S.C. 159, which requires states to suspend driver's licenses for drug convictions.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
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LRB Number 05-1273/1		Introduction Number AB-256	
Subject			
Operating after revocation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$23,465,571 loss of federal highway funding annually, until both houses of the legislature and the governor passed a resolution requesting a waiver from 23 U.S.C. 159, which requires states to suspend driver's licenses for drug convictions.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$42,240	-134,400	
(FTE Position Changes)	(1.1 FTE)	(-3.5 FTE)	
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$42,240	-\$134,400	
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (20.395)	42,240	-134,400	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S	121,550	-378,350	
TOTAL State Revenues	\$121,550	-\$378,350	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$-92,160	\$	
NET CHANGE IN REVENUE	\$-256,800	\$	
Agency/Prepared By		Authorized Signature	Date
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