

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-0442/3	Introduction Number AB-575
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Subject
 Drivers licenses for elderly drivers

Fiscal Effect

State:

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

Local:

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

Fund Sources Affected <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)	Affected Ch. 20 Appropriations
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Agency/Prepared By DOT/ John Alley (608) 266-0614	Authorized Signature Carol Buckmaster (608) 267-6979	Date 10/28/2003
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Fiscal Estimate Narratives

DOT 10/29/2003

LRB Number 03-0442/3	Introduction Number AB-575	Estimate Type Original
Subject		
Drivers licenses for elderly drivers		

Assumptions Used in Arriving at Fiscal Estimate

SUMMARY

Except for drivers under 18 and school bus driver 70 and older, current law makes no special provisions for renewal periods, testing requirements, or fees based on age. The normal renewal period for regular class D drivers is eight years at a cost of \$24. Current law allows 3 skills test for \$15.

AB 575 proposes:

- 2 year renewal period for drivers age 75 - 94.
- 1 year renewal period for drivers age 95 and older.
- Knowledge test at renewal for all drivers age 75 and older.
- Skill test at renewal for all drivers 95 and older and for drivers 75 - 94 if they are convicted of a moving violation.
- A renewal fee increase of \$2 per year for drivers 75 and older (\$16 total increase over 8 years).
- Collection of \$15 for each skills test attempt.

CONCLUSION

\$72,200 One-time cost for modification of renewal cycle on driver license issuance system.

It will take 8 years to fully implement this proposal because of existing drivers in the 75+ age group holding 8 year licenses. Our cost estimates look at the eventual cost after full implementation and also at the per-year cost during the 8 year implementation.

Ongoing Cost/Revenue After Full Implementation (after 8 years)

\$926,000 (19.6 FTE) ongoing cost increase for additional contacts and testing at DMV service centers.

\$1,120,000 ongoing revenue increase from renewal fee increases and additional skill test fees.

Ongoing Cost/Revenue Increase By Year During Implementation (first 8 years)

YEAR ***	REVENUE ***	FTE ***	COSTS ***
Year 1 ***	80,525 ***	3.3 ***	138,193
Year 2 ***	83,315 ***	3.4 ***	140,821
Year 3 ***	426,217 ***	8.7 ***	399,893
Year 4 ***	429,007 ***	8.8 ***	402,520
Year 5 ***	771,909 ***	14.1 ***	661,593
Year 6 ***	774,699 ***	14.2 ***	664,220
Year 7 ***	1,117,601 ***	19.5 ***	923,293
Year 8 ***	1,120,391 ***	19.6 ***	925,920

BASIS FOR CONCLUSION

\$72,200 from 100 days of programmer time @ \$722/day to modify renewal cycle logic for driver license issuance system.

\$925,920 Ongoing cost increase - 19.6 FTE @ \$41,600 Salary & Fringe = \$815,360 combined with \$110,560 supplies and services (\$1.15 per card charge for additional licenses issued)

\$1,120,391 Ongoing revenue increase - \$505,350 from collection of 33,690 additional \$15 skills test fees

annually combined with \$615,041 from collection of additional renewal fees of \$2 per year for drivers 75 and older.

Long-Range Fiscal Implications

See Above

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Drivers licenses for elderly drivers			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$72,200 One-time cost for modification of renewal cycle on driver license issuance system.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$815,360	
(FTE Position Changes)		(19.6 FTE)	
State Operations - Other Costs		110,560	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$925,920	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (20.395(5)(cq))		925,920	
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		1,120,391	
TOTAL State Revenues		\$1,120,391	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$925,920	\$
NET CHANGE IN REVENUE		\$1,120,391	\$
Agency/Prepared By		Authorized Signature	Date
DOT/ John Alley (608) 266-0614		Carol Buckmaster (608) 267-6979	10/28/2003