

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number **05-1527/2** Introduction Number **AB-933**

Description
 Suspension of motor vehicle operating privilege for habitual truancy

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
- Decrease Costs

Local:

- No Local Government Costs
 - Indeterminate
 - 1. Increase Costs
 - Permissive
 - Mandatory
 - 2. Decrease Costs
 - Permissive
 - Mandatory
 - 3. Increase Revenue
 - Permissive
 - Mandatory
 - 4. Decrease Revenue
 - Permissive
 - Mandatory
5. Types of Local Government Units Affected
- Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR
 FED
 PRO
 PRS
 SEG
 SEGS 20.395 (5)(cq)

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Fiscal Estimate Narratives

DOT 2/2/2006

LRB Number	05-1527/2	Introduction Number	AB-933	Estimate Type	Original
Description Suspension of motor vehicle operating privilege for habitual truancy					

Assumptions Used in Arriving at Fiscal Estimate

BILL SUMMARY:

- School districts must report all habitual truants to DMV at the end of each semester, and must report all persons who were listed as habitual truants but have completed a year of school without being truant.
- DMV must suspend operating privileges for habitual truants who have driver's licenses or instruction permits, and prohibit issuance of driver's licenses and instruction permits to habitual truants who are not currently licensed. Currently, courts may order a driver's license suspension for a habitual truant if a local ordinance under s. 118.163 has been adopted.
- Persons who are suspended for truancy under this bill may receive occupational licenses. (Note: persons suspended by court order under existing statute are not eligible for occupational licenses).
- Operating privileges would be suspended until person successfully completed one year of school, or reached the age of 18. Once the person successfully completes one year of school or reaches the age of 18, they may reinstate their operating privileges.

ASSUMPTIONS

- All students under the age of 18 may be declared habitual truants, even kindergartners. The bill does not specify that the department should only take action on persons in a specific age range. As such, all students would have their operating privileges (or ability to attain operating privileges) suspended, regardless of age.
- 70% of truancy suspensions will go to persons who do not have instruction permits or driver's licenses. Records must be created for these persons to prohibit issuance of the instruction permit or driver's license.
- DMV is required to send out withdrawal orders to everyone, regardless of age.
- There were 80,333 students reported as habitual truants in 2004. It is assumed that 50% of truants will remain truant from year to year. Since this is an indefinite suspension, no new suspension case would be created for persons who remain truant from year to year.
- School districts would submit list of habitual truants to DMV electronically.

COST SUMMARY

One-time:

\$126,900 for programming
\$751,973 salary/fringe (23.3 FTE)
\$31,300 for postage
\$3,052,680 additional revenue

Ongoing:

\$417,581 salary/fringe (11.6 FTE)
\$15,665 for postage
\$1,526,320 additional revenue

School districts:

School districts will incur extra work to report habitual truants to DMV at the end of each semester. These costs are indeterminate.

BASIS FOR COST SUMMARY:

One-time costs:

\$126,900 for programming changes needed for a secure web application for school districts to self-report habitual truants and persons who were no longer habitual truants to DMV. Programming is also needed to change occupational license and withdrawal systems.

According to Department of Public Instruction statistics, 80,333 habitual truants were reported for the 2003-

2004 school year. All of these truants must have their operating privileges suspended under this bill. For persons who do NOT have a driver's license or instruction permit, DMV must create a record to record the suspension and prohibit issuance of the driver's license or instruction permit.

\$751,973 salary/fringe (23.3 FTE) to set up 80,333 suspension cases for habitual truants the first time they are reported. Work is needed to set up the suspension case, create records for 70% of truants who are not on our system, process occupational licenses, answer telephone calls, and process reinstatements.

\$31,300 for postage to mail out withdrawal notices.

\$3,052,680 additional revenue for the transportation fund, for occupational license and reinstatement fees.

(Note: only persons who previously held a driver's license are eligible for an occupational license. The reinstatement fee is collected for all habitual truant suspensions, if they held a product or not. However, only 60% of suspended drivers ever reinstate).

Ongoing costs:

The habitual truancy suspension is indefinite. As such, the department only has to set up a new suspension case for newly reported habitual truants. It is estimated that 50% of the habitual truants reported annually are new cases. $80,333 \text{ (habitual truants reported in 2004)} / 2 = 40,167$ new cases annually.

\$417,581 salary/fringe (11.6 FTE) to set up 40,167 suspension cases for new habitual truants. Work is needed to set up the suspension case, create records for 70% of truants who are not on our system, process occupational licenses, answer telephone calls, and process reinstatements.

\$15,665 for postage to mail out withdrawal notices.

\$1,526,320 additional revenue for the transportation fund, for occupational license and reinstatement fees.

(Note: only persons who previously held a driver's license are eligible for an occupational license. The reinstatement fee is collected for all habitual truant suspensions, if they held a product or not. However, only 60% of suspended drivers ever reinstate).

Long-Range Fiscal Implications

This will increase the number of suspended drivers. Studies have shown that 70% of suspended/revoked drivers continue to drive anyway. These drivers receive additional citations for operating while suspended and operating after revocation. This will cause an increased burden on law enforcement and the courts.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 05-1527/2		Introduction Number AB-933	
Description Suspension of motor vehicle operating privilege for habitual truancy			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$126,900 for programming changes \$751,973 salary/fringe costs \$31,300 postage costs \$3,052,680 additional revenue			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$417,581		
(FTE Position Changes)	(11.6 FTE)		
State Operations - Other Costs	15,665		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$433,246		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (20.395)	433,246		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S	1,526,320		
TOTAL State Revenues	\$1,526,320	\$	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$433,246	\$	
NET CHANGE IN REVENUE	\$1,526,320	\$	
Agency/Prepared By		Authorized Signature	Date
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