

Fiscal Estimate Narratives

DOT 2/6/2006

LRB Number	05-4255/2	Introduction Number	AB-963	Estimate Type	Original
Description Instruction permits and probationary licenses issued by the Department of Transportation					

Assumptions Used in Arriving at Fiscal Estimate

BILL SUMMARY:

- Applicants for an instruction permit must provide proof of school enrollment before issuance.
- School boards must provide the department with the name and address of former pupils who are defined as dropouts under s. 118.153(1)(b).
- The department must cancel the probationary license of any person reported by a school board as a dropout under s. 118.153 (1)(b).
- The department must keep any notice provided by a school board under s. 118.153 (1)(b) for any person who has applied for a license or instruction permit.

ASSUMPTIONS

- The Wisconsin Driver's License / Identification Card Application (MV 3001) must be altered to include proof of school enrollment. However, proof of school enrollment form will not be kept electronically.
- Proof of school enrollment will be a standard form supplied by the school districts / Department of Public Instruction.
- School boards would submit list of dropouts to DMV electronically.
- Dropout notices for people who have NOT applied for an instruction permit or probationary license will not be kept on file.
- License cancellation will take effect the date the dropout notice is received from the school board.
- Occupational licenses will not be issued.
- According to data from the Wisconsin Department of Public Instruction, there were 6,235 dropouts in 2003. It is estimated that 3,176 of these dropouts would have a probationary license that would be cancelled. (Some dropouts reported were as young as 7th grade, and wouldn't have a probationary license).

COST SUMMARY

One-time:

\$15,050 for programming costs to automate license cancellation
\$3,000 to alter and print the driver's license and identification card application to include confirmation of school enrollment.

Ongoing:

\$35,278 (.9 FTE) salary/fringe to process cancellation cases for dropouts, and process school enrollment confirmations for all instruction permit applicants under the age of 18.
\$1,239 for postage to mail cancellation order
\$95,300 additional revenue for reinstatement fees

School boards:

School boards may incur extra work to report dropouts to DMV. These costs are indeterminate.

BASIS FOR COST SUMMARY:

Ongoing costs:

\$35,278 salary/fringe (.9 FTE)

In 2004, the department processed 75,376 original instruction permit applications for persons under the age of 18. Work is needed to verify school enrollment for each of these applicants.

It is estimated that the department will have to set up 3,176 cancellation cases for dropouts annually. Work is needed to set up the cancellation case, answer telephone calls, and process reinstatements.

Long-Range Fiscal Implications

See above.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Instruction permits and probationary licenses issued by the Department of Transportation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$15,050 for programming \$3,000 to re-print forms			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$35,278	
(FTE Position Changes)		(0.9 FTE)	
State Operations - Other Costs		1,239	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$36,517	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S		36,517	
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		95,300	
TOTAL State Revenues		\$95,300	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$36,517	\$
NET CHANGE IN REVENUE		\$95,300	\$
Agency/Prepared By		Authorized Signature	Date
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