

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-1300/1	Introduction Number AB-0003
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Description
 denial, suspension, and revocation of certain licenses related to motor vehicle dealers

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 3. Increase Revenue
 - Permissive Mandatory
 Permissive Mandatory
 - 2. Decrease Costs 4. Decrease Revenue
 - Permissive Mandatory
 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

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Fiscal Estimate Narratives

DOA 2/15/2019

LRB Number	19-1300/1	Introduction Number	AB-0003	Estimate Type	Original
Description denial, suspension, and revocation of certain licenses related to motor vehicle dealers					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, any entity wishing to sell a motor vehicle must be licensed by the Department of Transportation (DOT). Under certain circumstances, DOT may deny a license application or suspend/revoke a license. Within 30 days of receiving the notice, the applicant/licensee has a right to appeal an adverse decision by DOT to the Department of Administration (DOA) Division of Hearings and Appeals (DHA).

Currently, a revocation or suspension hearing is typically conducted before DHA, and then DHA issues an order suspending or revoking a license. During the process of revocation, the applicant/licensee often addresses the violation before the dispute reaches DHA for a hearing.

Under the proposed legislation, DOT would replace DOA-DHA as the responsible agency for the initial license revocation and suspension determination. In addition, under certain circumstances, a license revocation or suspension would take effect immediately.

Currently, DHA receives approximately 25 DOT cases a year involving various DOT issues and approximately five to ten DOT license revocation and suspension cases every ten years (an average of one or less cases per year). DHA anticipates that under the proposed legislation, potentially fewer license revocation and suspension cases could be received by DHA for case hearings and case functions, due to DOT's proposed initial license revocation responsibility. DOA does not anticipate a process change due to the immediate revocation or suspension of certain licenses. However, since the number of DOT license revocation and suspension cases currently received by DHA comprises an insignificant percentage of the total volume of cases received by DHA on an annual basis, DOA anticipates little to no impact on DHA's caseload volume or the personnel resources utilized on the hearings and other functions associated with these types of cases. As such, there is no anticipated fiscal impact to DOA resulting from the proposal.

Long-Range Fiscal Implications

There are no long-range fiscal implications anticipated.