

Fiscal Estimate Narratives

DOC 1/22/2020

LRB Number 19-5057/1	Introduction Number SB-626	Estimate Type Original
Description penalties for violations related to the motor vehicle liability insurance requirement, proof of financial responsibility, requirements for registering motor vehicles, operating a vehicle without an operator's license or after suspension or revocation of an operating privilege, making an appropriation, and providing a penalty		

Assumptions Used in Arriving at Fiscal Estimate

Among several things, this bill changes penalties and requirements related to operating a motor vehicle without proof of liability insurance. In particular, this bill removes the penalty for not immediately providing proof of liability insurance to a traffic officer during a traffic stop. Instead, a traffic officer must cite a person for operating without insurance if the driver cannot produce proof of insurance and the traffic officer does not have other knowledge that the person has the required liability insurance. The driver cannot be convicted of operating without insurance, however, if the driver can demonstrate that they had insurance for the vehicle at the time of the traffic stop, or purchased coverage for the vehicle, in the days between the citation and the court date. Additionally, this bill expands the requirements for auto liability insurance to drivers operating in certain parking areas.

The Department of Corrections (DOC) does not anticipate a state fiscal effect from this bill. There are several surcharges appended to the penalty of driving without proof of insurance that indirectly fund programs within the DOC that may be impacted by this bill. However, these funds are distributed to DOC through the Department of Administration (DOA) and the Department of Justice (DOJ), which collect the surcharges from the courts. The amounts DOA and DOJ distribute are set in the budget and any reduction in surcharge revenue at DOA and DOJ may not impact the amount that DOA and DOJ distribute to DOC.

A change in convictions related to operating without liability insurance could either increase or decrease the amount of revenue for local jail funds via the jail surcharge. The DOC does not have information about jail surcharge collections. As such, the local fiscal impact is indeterminate.

Long-Range Fiscal Implications