



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #618

Driving Skills Test Waiver (Transportation -- Motor Vehicles)

[LFB 2021-23 Budget Summary: Page 591, #4]

CURRENT LAW

Applicants for an operator's license in Wisconsin generally must successfully complete a knowledge test and driving skills test in addition to successful completion of driver education. Driver education requires at least 30 hours of classroom instruction, at least six hours of supervised vehicle operation and six hours of in-vehicle observation, and at least 30 hours (10 of which must be at night) of driving while accompanied by an adult. The Department of Transportation (DOT) typically conducts about 107,000 skills tests annually, and charges a \$15 fee per test.

DISCUSSION POINTS

1. In response to the coronavirus pandemic, the Department instituted a pilot program to grant waivers to certain individuals for the driving skills test currently required to attain a Wisconsin driver license to help reduce the number of in-person visits to Division of Motor Vehicles (DMV) customer service centers. The Department indicates that from May 11, 2020, through April, 2021, a total of 48,100 drivers obtained a driving skills test waiver through the pilot program, or approximately 85% of eligible candidates. The Department also notes that it will submit a report to the Legislature under s. 15.04 (1)(d), Wis. Stats., on the results of the program by October 15, 2021.

2. The Governor recommends making the necessary statutory and programmatic modifications to allow for this pilot program to become permanent, allowing certain individuals to obtain a waiver of the driving skills test currently required to attain a Wisconsin driver license. This would include specifying that the Department may waive the driving skills test of an individual applying for an operator's license if all of the following apply: (a) the applicant is under the age of 18 (drivers over age 18 rarely take driver education courses because they are only required to have an instructional permit for seven days prior to testing); (b) the application is for authorization for a Class

D (non-commercial) driver license; (c) the applicant has satisfactorily completed driver education or a substantially equivalent course approved by the Department or another state; (d) the applicant has held an instruction permit for at least six-months; (e) the applicant has not had a moving violation resulting in a conviction within the six month period immediately preceding the application; and (f) an adult sponsor (typically parent or guardian) who has signed for the applicant as part of their application (as required by statute for persons under the age of 18) consents to a waiver of the driving skills test. Existing statutory requirements for a driving examination skills test would need to be modified to include a reference to the newly allowed skills test waiver.

3. The Department estimates that 80,250 of the 107,000 who typically take the skills test would utilize the permanent waiver process. That would equal 75% of those required to take the skills test annually, which is slightly less than the 85% who utilized the waiver during the pilot program. The Department indicates that road tests are the most time-intensive transaction provided by its customer service centers. The associated reduction in individuals taking the driving skills test at DMV customer service centers would reduce the workload required at the centers as well as increase access to the tests for individuals who most need them, such as those with medical restrictions or who do not meet the other criteria to qualify for the waiver. In addition, the reduced number of customers to the service centers would allow those centers to provide more efficient service to customers requesting other services.

4. The Department estimates that permanently allowing driving skills test waivers would enable them to reduce expenditures of \$421,300 annually and eliminate 6.20 FTE positions associated with the reduced workload. Currently, the Department charges a \$15 fee for skills tests, but in order to eliminate any financial effect on the transportation fund due to fewer skills tests, the Department would instead institute a \$15 waiver fee if statutory modifications permitted. In order to recognize the cost savings and efficiencies that could be gained by making the driving skills test waiver pilot program permanent, the recommended statutory modifications could be adopted and DMV funding could be reduced by \$421,300 annually associated with the elimination of 6.20 FTE positions. However, the Department may need some time to implement this change in the driver skills test. Thus, if the skills test waiver is authorized, the Committee may want to delay its effective date to January 1, 2022. [Alternative 1]

5. Some safety concerns may exist related to allowing certain individuals to receive a driver license without taking a driving skills test. However some of the criteria the Department would establish under this provision could allay some of the safety concerns. For example, drivers would still have to complete driver education (30 hours of classroom instruction, 30 hours of behind-the-wheel driving experience accompanied by a qualifying adult, including 10 hours of non-daylight driving, and six hours each of supervised vehicle operation and in-vehicle observation). Further, any applicants with a moving violation within the preceding six months could not receive a waiver, as noted. To measure the effect of the pilot program on safety, the Department developed performance measures that compare sample groups that have, and have not, received a driving skills test waiver. Based on collision and citation data from their pilot program, the Department indicates there was no statistically significant difference in crashes or citations for applicants that received waivers. The Department would continue to refine and conduct similar analyses if the driving skills test waiver option is made permanent. The Department notes that more than 98% of Wisconsin's driver education

students passed the skills test on their first or second attempt in 2019, and several states, including Illinois, Iowa, and Nebraska, utilize a similar waiver option for new drivers with no reported adverse effects.

6. As mentioned earlier, DOT indicates it will report on the results of its pilot program to the Legislature by October 15, 2021. If the Committee has safety or other concerns regarding this provision, and would like more information on the pilot program before extending it on permanent basis, the Committee could require the Department to also submit the report to the Committee, along with a request for Committee approval of the permanent program. The Committee could specify that the report provide the staffing and funding reductions that the Department could accomplish under a permanent program. Under this alternative, the Department's statutory authority to administer a permanent waiver option for the driving skills test would be provided, as proposed, but its existence would be contingent on Joint Finance Committee approval. If the Committee approves the permanent program, the Committee would have authority to reduce the affected appropriations and positions as provided in the Department's report. [Alternative 2]

7. Alternatively, if the safety concerns outweigh the convenience and staff savings, the Committee could choose not to approve the modifications to permit waivers to the driving skills test while the Department studies the effects of the pilot program. [Alternative 3]

ALTERNATIVES

1. Provide the Department the authority to allow waivers to the driving skills test currently required to attain a Wisconsin driver license, with certain exceptions, and to institute a \$15 fee to those receiving a waiver. Make these changes effective January 1, 2022. Decrease funding by \$210,600 in 2021-22 and \$421,300 in 2022-23 and eliminate 6.20 FTE positions associated with the provision of this authority.

| ALT 1 | Change to Base | |
|-------|----------------|-----------|
| | Funding | Positions |
| SEG | - \$631,900 | - 6.20 |

2. Provide the Department's the authority to allow waivers to the driving skills test currently required to attain a Wisconsin driver license, with certain exceptions. Require the Department to submit to the Committee the October 15, 2021 report to the Legislature, along with a request for Committee approval of the permanent program. Specify the following: (a) that the report provide the staffing and funding reductions that the Department could accomplish under a permanent program; and (b) if the Committee approves the permanent program, the Committee would have authority to reduce the affected appropriations and positions as provided in the Department's report.

3. No action.

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