



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	HB0178	Title:	Revise driver license fee allocations to increase traffic educ. account funding
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Primary Sponsor:	Price, Jean	Status:	As Introduced
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- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$1,017,254	\$831,210	\$890,650	\$951,792
Revenue:				
General Fund	(\$1,017,254)	(\$831,210)	(\$890,650)	(\$951,792)
State Special Revenue	\$1,017,254	\$831,210	\$890,650	\$951,792
Net Impact-General Fund Balance:	<u>(\$1,017,254)</u>	<u>(\$831,210)</u>	<u>(\$890,650)</u>	<u>(\$951,792)</u>

Description of fiscal impact: HB 178 changes the distribution of fees collected from (basic) driver's licenses and commercial driver's licenses. This bill decreases revenue deposited into the state general fund and increases revenue deposited into the state traffic education account.

FISCAL ANALYSIS

Assumptions:

Department of Justice

1. HB 178 decreases the distribution to the general fund and increases the distribution to the state traffic education account by a like amount. The revenues deposited to the state traffic education account would increase from 20.7% to 41% of each driver's license fee and from 16.94% to 30% of each commercial driver's license fee.
2. Total current year revenue collected in the driver's license fees account was \$4,157,011 in FY 2012. Of driver's license fees, \$3,296,510 was deposited into the state general fund and \$860,501 into the state traffic education account.
3. Total current year revenue collected in the commercial driver's license fees was \$841,219 in FY 2012. Of the commercial driver's license fees, \$698,717 was deposited into the state general fund and \$142,503 deposited into the state traffic education account.

Fiscal Note Request – As Introduced

(continued)

4. The OBPP drivers licence revenue model assumptions were used to project ongoing basic and commercial driver license revenues. The revenue impact of HB 178 were estimated by applying the proposed law’s distributions. The difference between the current law and proposed law estimates were used to calculate the changes in distributions. These are presented in the following table:

Change in Distributions to State Traffic Education SSR Under HB 178 as Introduced							
	Actual	Forecast					
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	
OBPP Estimate of Basic Driver License Revenue (All Funds)	\$4,157,011	\$4,937,894	\$4,584,337	\$3,745,916	\$4,013,788	\$4,289,326	
OBPP Estimate of Commercial Driver License Revenue (All Funds)	\$841,219	\$999,240	\$663,348	\$542,030	\$580,790	\$620,661	
Present law		Distribution to State Traffic Education (SSR) Account - Present Law					
Driver License Fees	20.70%	\$860,501	\$1,022,144	\$948,958	\$775,405	\$830,854	\$887,891
Commercial DL Fees	16.94%	\$142,503	\$169,271	\$112,371	\$91,820	\$98,386	\$105,140
<i>Total from Drivers Licenses and CDLs - Present Law</i>			\$1,061,329	\$867,224	\$929,240	\$993,030	
HB 178 As Introduced		Distribution to State Traffic Education (SSR) Account - HB 178 as Introduced					
Driver License Fees	41%		\$1,879,578	\$1,535,826	\$1,645,653	\$1,758,624	
Commercial DL Fees	30%		\$199,004	\$162,609	\$174,237	\$186,198	
<i>Total from Drivers Licenses and CDLs under SB 178 as Introduced</i>			\$2,078,583	\$1,698,435	\$1,819,890	\$1,944,822	
Change in Revenue to State General Fund and State Traffic Education Account				FY 2014	FY 2015	FY 2016	FY 2017
Change in Revenue to State Traffic Education Account				\$1,017,254	\$831,210	\$890,650	\$951,792
Change in Revenue to State General Fund				(\$1,017,254)	(\$831,210)	(\$890,650)	(\$951,792)

Office of Public Instruction

5. Current law directs the Superintendent of Public Instruction to distribute all money in the traffic education account to the districts conducting approved traffic education courses. The distribution is based on the number of pupils who, in a given school fiscal year, complete an approved traffic education course, including both the classroom instruction and behind-the-wheel driving.
6. The Office of Public Instruction paid \$875,000 to 124 school districts in FY 2012 to reimburse traffic education programs. These traffic education programs served 8,330 students and were reimbursed an average of \$105.04 per pupil served.
7. Increased revenues due to the changes in HB 178 would mean additional reimbursement to schools for traffic education program costs distributed based on the number of students served.

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Distribution to schools	\$1,017,254	\$831,210	\$890,650	\$951,792
TOTAL Expenditures	<u>\$1,017,254</u>	<u>\$831,210</u>	<u>\$890,650</u>	<u>\$951,792</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$1,017,254	\$831,210	\$890,650	\$951,792
TOTAL Funding of Exp.	<u>\$1,017,254</u>	<u>\$831,210</u>	<u>\$890,650</u>	<u>\$951,792</u>
<u>Revenues:</u>				
General Fund (01)	(\$1,017,254)	(\$831,210)	(\$890,650)	(\$951,792)
State Special Revenue (02)	\$1,017,254	\$831,210	\$890,650	\$951,792
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$1,017,254)	(\$831,210)	(\$890,650)	(\$951,792)
State Special Revenue (02)	(\$0)	\$0	\$0	(\$0)

Sponsor's Initials

Date

Budget Director's Initials

Date