



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0608

Title: Revise commercial driver licenses

Primary Sponsor: Galloway, Steven

Status: As Introduced

- 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 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 608 has no fiscal impact on the Montana Department of Transportation (MDT) currently. However, if the bill is not passed into law there is a significant fiscal impact to MDT and the State of Montana.

FISCAL ANALYSIS

Assumptions:

1. HB 608 addresses several non-compliance issues with new and existing Federal Motor Carrier Safety Administration (FMCSA) regulations related to Montana's Certified Driver License (CDL) program. (Found in 49 CFR, Parts 380 and 382)
2. To avoid sanctions of the Federal Highway Administration (FHWA) and Motor Carrier Safety Assistance Program (MCSAP) funds, the state must follow these regulations.
3. The consequences of Montana's non-compliance with CDL regulations may result in up to 4% of the state's Federal Aid Highway apportionment being withheld in the first year and in second and subsequent years 8% would be withheld.
4. Based on 2021 estimated FHWA apportionment of \$387.6 million, 4% or \$15 million could be withheld in FY 2022.

Fiscal Note Request – As Introduced

(continued)

5. Beginning in FY 2023 and subsequent years, 8% or \$31 million could be withheld from MDT's federal allocation.
6. In addition to the above-mentioned sanctions, MDT could lose MCSAP grant eligibility resulting in FMCSA withholding up to \$6.54 million of grant funding annually.

	<u>3/1/21</u>	<u>AB for KA</u>	<u>3/1/21</u>
Sponsor's Initials	Date	Budget Director's Initials	Date