



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0193 - Revise law for driving without insurance (Anderson, Fred)

Status: As Amended in House Committee

- 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 2024</u> <u>Difference</u> | <u>FY 2025</u> <u>Difference</u> | <u>FY 2026</u> <u>Difference</u> | <u>FY 2027</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Expenditures: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$0 | \$0 | \$0 | \$0 |
| Revenue: | | | | |
| General Fund | \$142,500 | \$142,500 | \$142,500 | \$142,500 |
| State Special Revenue | \$0 | \$0 | \$0 | \$0 |
| Net Impact-General Fund Balance: | <u>\$142,500</u> | <u>\$142,500</u> | <u>\$142,500</u> | <u>\$142,500</u> |

Description of fiscal impact: HB 193 would generate revenue due to the increase in fine amounts, in both the general fund and to the county that issues the citation. The amount would be dependent on the number of citations written. The bill would also have a minimal fiscal impact on the Motor Vehicle Division (MVD). As amended, there is an administrative fee to apply for a restrictive license. The MVD has no way of estimating the revenue from the fee.

FISCAL ANALYSIS

Assumptions:**Department of Justice (DoJ) – Montana Highway Patrol (MHP)**

1. If the maximum fine for the first noncompliance citation is increased to \$100, it is the assumption of the Montana Highway Patrol (MHP) that revenue would increase \$148,260 per year. MHP writes an average of



- 4,942 citations a year and assumes the courts would obligate 30% of the fee to MHP; $(\$100)(.3)(4942)=\$148,260$.
- If the maximum fine for the second noncompliance citation is increased to \$275, it is the assumption of the MHP that revenue would increase \$70,868 per year. MHP writes approximately 859 citations a year and assumes the courts would obligate 30% of the fee to MHP; $(\$275)(.3)(859)=\$70,868$.
 - If the maximum fine for the third noncompliance citation is increased to \$375; it is the assumption of MHP that revenue would increase \$65,925 per year. MHP writes approximately 586 citations per year and assumes the courts would obligate 30% of the fee to MHP; $(\$375)(.3)(586)=\$65,925$.
 - MHP assumes the total fines collected annually would generate approximately \$285,053 in revenue and that half (\$142,500) of the revenue received would go to the county that issued the citation.
 - The Motor Vehicle Division (MVD) would see a minimal increase in operating costs for reprogramming the current system, those costs can be covered within the current budget. MVD is unable to estimate the amount of revenue to be generated from the administrative fees collected from restricted licenses.

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|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| <u>Expenditures:</u> | | | | |
| Personal Services | \$0 | \$0 | \$0 | \$0 |
| Operating Expenses | \$0 | \$0 | \$0 | \$0 |
| TOTAL Expenditures | \$0 | \$0 | \$0 | \$0 |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$0 | \$0 | \$0 | \$0 |
| TOTAL Funding of Exp. | \$0 | \$0 | \$0 | \$0 |
| <u>Revenues:</u> | | | | |
| General Fund (01) | \$142,500 | \$142,500 | \$142,500 | \$142,500 |
| State Special Revenue (02) | \$0 | \$0 | \$0 | \$0 |
| TOTAL Revenues | \$142,500 | \$142,500 | \$142,500 | \$142,500 |

| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
|---|-----------|-----------|-----------|-----------|
| General Fund (01) | \$142,500 | \$142,500 | \$142,500 | \$142,500 |
| State Special Revenue (02) | \$0 | \$0 | \$0 | \$0 |

Impact on County or Other Local Revenues or Expenditures:

- Since half of the revenue received from citations goes to the counties, the counties would also see a revenue increase of \$142,500 per year.

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|  Sponsor's Initials | <u>4/5/23</u> Date |  Budget Director's Initials | <u>4-5-23</u> Date |
|--|-----------------------|--|-----------------------|