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**FISCAL IMPACT STATEMENT**

**LS 7707**

**BILL NUMBER: SB 487**

**NOTE PREPARED: Jan 16, 2007**

**BILL AMENDED:**

**SUBJECT:** Graduated Driver's Licenses.

**FIRST AUTHOR:** Sen. Wyss

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**

**GENERAL**

**IMPACT:** State

**X DEDICATED  
FEDERAL**

**Summary of Legislation:** This bill: (1) gradually raises the minimum age for the issuance of learner's permits and probationary operator's licenses in future years; (2) sets requirements for practice driving before a probationary license can be issued; (3) prohibits a driver with a probationary license from operating a motor vehicle while using a handheld device; and (4) revises the number of passengers who may accompany a probationary driver.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *Summary:* This bill increases the age at which individuals become eligible for an operator's license, learner's permit, or a motorcycle operator's license in future years. The increase in eligibility age would tend to shift license revenues forward by one month in FY 2008, two months in FY 2009, and two months in FY 2010. Learner's permit revenues would be shifted forward two months in each of the years. As a result, revenues would be reduced by an estimated \$81,600 in FY 2008, \$117,300 in FY 2009, and \$117,300 in FY 2010. The funds with reduced revenues will be the Motor Vehicle Highway Account (MVHA), Crossroads 2000 Fund, Anti-terrorism Fund, Motor Vehicle Technology Fund, and the State License Branch Fund.

*Background Information:* The fees for a four-year operator's license and a four-year motorcycle operator's license are both \$14. The learner's permit fee is \$9. Annually, approximately 36,000 individuals, or about 3,000 monthly, obtain their operator's license when they are 16 years of age. Assuming the same number of

learner's permits are affected and that 85% of these 16-year-olds would otherwise obtain their operator's license shortly after becoming 16 years and 30 days, the one-month increase in eligibility age for operator's

licenses and the two-month increase in eligibility age for learner's permits tend to shift these revenues forward resulting in a reduction in total revenue of \$81,600 in FY 2008, by two months for both learner's permits and operator's licenses in FY 2009 resulting in a reduction in revenue of \$117,300, and two months for both licenses in FY 2010 resulting in a reduction in revenue of \$117,300.

The four-year motorcycle operator's license is also \$14, but the age distribution data for this license is insufficient to allow an estimate. The revenue from the motorcycle operator's license is distributed in the same manner as for the operator's license.

The distribution of the revenue loss to the various funds is provided in the following table.

Fund	Revenue Reduction		
	FY 2008	FY 2009	FY 2010
Total Reduction in Fees	\$81,600	\$117,300	\$117,300
Motor Vehicle Highway Account	\$12,750	\$22,950	\$22,950
Crossroads 2000 Fund	\$15,300	\$20,400	\$20,400
Anti-Terrorism Fund	\$9,562	\$12,750	\$12,750
BMV Technology Fund	\$3,825	\$5,100	\$5,100
State License Branch Fund	\$40,162	\$56,100	\$56,100

Fund	Uses
<b>Motor Vehicle Highway Account</b>	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue
<b>BMV Technology Fund</b>	Upgrade technology at the BMV
<b>State License Branch Fund</b>	Support the operation of the licenses branches throughout the state
<b>Anti-Terrorism Fund</b>	Support the Integrated Public Safety Commission
<b>Crossroads 2000 Fund</b>	Bonding for highway projects

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See *Explanation of State Revenues*.

**State Agencies Affected:** Bureau of Motor Vehicles, Department of Transportation, State Police, and State Department of Revenue as recipients of MVHA distributions.

**Local Agencies Affected:** Recipients of MVHA distributions.

**Information Sources:** BMV Driver's license data for CY 2004.

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