

2008 Special Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3624 **STATUS:** B-Engrossed **MINORITY REPORT**
SUBJECT: Allows a police officer to confiscate a registration card and mark the plates with a sticker of a vehicle if the driver of the vehicle is arrested for or issued a citation for driving a motor vehicle while the driver's license is suspended.
GOVERNMENT UNIT AFFECTED: Oregon Department of Transportation, Oregon Judicial Department, Department of Justice
PREPARED BY: Tim Walker
REVIEWED BY: Susan Jordan, Robin LaMonte, and Doug Wilson
DATE: February 22, 2008.

	<u>2007-2009</u>	<u>2009-2011</u>
EXPENDITURES: See below.		

REVENUES:
Please refer to Revenue Impact Statement.

EFFECTIVE DATE: January 1, 2011

INTERIM JOINT COMMITTEE ON WAYS AND MEANS: The budgetary impact of this bill was not reviewed by the Interim Joint Committee on Ways and Means Committee and is not included in the omnibus budget bill to be introduced by the committee.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: This bill would allow a police officer to confiscate the registration card and apply a "zebra" sticker to the registration plates of a driver cited for operating a motor vehicle while the driver's license is suspended or revoked; issue a temporary registration card that expires in 60 days, during which the driver may seek recourse through the Oregon Department of Transportation (ODOT); allows a police officer to stop a vehicle with marked plates for the sole purpose of determining whether or not the vehicle is being operated by someone with a suspended or revoked license; establishes a process for an individual to obtain removal of the marked plates, if in fact, they do not have a suspended or revoked license; establishes an administrative hearing process; creates a Class C traffic violation for removal of plate stickers and allows ODOT to charge a restoration fee for marked plates. The language of the bill is permissive and allows police officers some discretion in whether or not they cite an individual.

ODOT: Driver and Motor Vehicles (DMV) used statistics developed during the program evaluation of the 1990-1992 Vehicle Registration Cancellation Program to base their assumptions on transaction volumes to develop their fiscal impact. DMV anticipates approximately 21,700 cancellation notices in 2009-11 and 86,700 in 2011-13 resulting in additional expenditures in 2009-11 of \$1.2 million and \$1.9 million in 2011-13. These numbers of citations are DMV's best guess at the additional workload attributable to the requirements of the bill and would be over and above the volume of driving while suspended (DWS) citations that they normally process. Additionally, the permissive language in the bill makes it more difficult to estimate the number of citations that may be issued. The current process for

DWS citations does not link the driver to a specific vehicle and this bill requires the linkage between the driver's license and any vehicle the individual may own. The additional expenditures consist primarily of computer programming and additional staffing necessary to cope with the additional transaction volume and requirements of the bill. DMV anticipates an additional 19 positions and 5 FTE in 2009-11 and 18 positions and 18 FTE in 2011-13. 18 of the new positions would staff a new Vehicle Cancellation Unit in the Processing Services Group.

It is important to note that ODOT analyzes all legislation that passes and develops a work plan to complete all the changes together in order to efficiently complete the necessary work. Therefore, while each bill is analyzed for changes as if it were the only change necessary, actual programming time could be reduced due to efficiencies. The Department will develop a work plan to address all computer changes required to conform DMV systems to enacted legislation. The Department will then appear before the Emergency Board, if necessary, during the interim to request an expenditure limitation and/or position authority increase needed to address the required work.

Oregon Judicial Department: The Oregon Judicial Department (OJD) anticipates there could be an increase in court filings due to this bill. Each violation case costs OJD approximately \$30 to process. OJD handles a large volume of violations and it is not clear how the incremental increase in citations for these violations would affect OJD. There may also be an increase in appeals due to decisions made in administrative hearings. Again, it is difficult to predict the volume of appeals that may be filed.

Department of Justice: The Department would represent DMV in any appeals of administrative hearings determinations filed in the circuit court. The volume and extent of these appeals is not possible to predict and therefore the fiscal impact to the Department is not possible to quantify.

Law Enforcement: Law enforcement may see an increase in citations due to the provisions of this bill because it will be easier to identify drivers who are violating the law. The volume of this increase is difficult to predict. There may also be an increase in the time required by police officers due to the increase in paperwork required by the bill.

The majority of the fiscal impact to agencies would occur beyond the two biennia scope of this fiscal impact. Such costs are estimated to be significant. The noted uncertainties surrounding this bill's fiscal impact suggest that the agencies may need to return to the Legislature if budgeted resources prove insufficient to cover the actual costs of this bill.