

FISCAL IMPACT OF PROPOSED LEGISLATION

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

Measure: HB 2140
CORRECTED

Prepared by: Robin LaMonte
Reviewed by: Susie Jordan
Date: 3/28/2011

Measure Description:

Requires person under 18 years of age who resides in Clackamas, Multnomah or Washington County to complete traffic safety education course prior to issuance of provisional driver license.

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT)

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:

HB 2140 increases the requirement for issuance of a provisional driver license to persons under the age of 18. The current requirement is that the person must take a test that examines the knowledge of driving requirements, hold an instruction driver permit for at least six months, and certify that the person has had at least 50 hours of supervised driving experience. The bill adds a requirement that persons under 18 years of age who live in Clackamas, Multnomah and Washington counties must complete a driver education course that is approved by the Department of Transportation. Persons under 18 living in other counties must either complete a driver education course approved by ODOT or certify that the person has completed an additional 50 hours of supervised driving experience.

The fiscal impact of this bill relates to the work required to put systems and processes in place for the Division of Motor Vehicles (DMV) and the Transportation Safety Division (TSD) to implement this bill.

ODOT estimates the total cost of this bill at \$1,583,950 Other Funds in the 2011-13 biennium and \$4,200,000 Other Funds in the 2013-15 biennium. There is a minimal cost to DMV for computer-related updates. Most of the cost relates to payments that TSD will make to service providers. TSD certifies driver education courses and reimburses providers when students take approved training courses. Providers receive an average of \$210 for each student. ODOT estimates an additional 7,500 students will take the course in the 2011-13 biennium, and TSD will spend \$1,575,000 Other Funds to reimburse providers for these students. The cost of the program is paid out of the Student Driver Training Fund, which receives a \$6 fee whenever a driver license is issued or renewed. The Fund has sufficient revenue to cover these costs.

ODOT will require additional Other Funds expenditure limitation to implement this bill in the 2011-13 biennium.