

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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**Action:** Do Pass as Amended and Be Referred to the Committee on Ways and Means

**Vote:** 9 - 0 - 0

**Yeas:** Barton, Cameron, Garrett, Hicks, Krieger, Olson, Tomei, Williamson, Barker

**Nays:** 0

**Exc.:** 0

**Prepared By:** Mike Schmidt, Counsel

**Meeting Dates:** 2/4, 3/4, 3/7

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**WHAT THE MEASURE DOES:** Requires person ordered to install an ignition interlock device (IID) to provide proof they did so for proscribed amount of time prior to reinstatement of driving privileges. Mandates notice of tampering or removal of device shall be given to treatment provider and/ or courts. Increases mandatory agency screening fee to \$275 from \$150. Directs Oregon Department of Transportation to adopt rules to govern installation and monitoring of IIDs. Directs creation of rules for oversight of installation and monitoring of IID. Creates timeline for implementation of new rules.

**ISSUES DISCUSSED:**

- Needed loophole fix from previous legislation.
- Will require better technology used for IIDs

**EFFECT OF COMMITTEE AMENDMENT:** Directs creation of rules for oversight of installation and monitoring of IID. Creates timeline for implementation of new rules.

**BACKGROUND:** Previously, a person who was ordered to install an interlock ignition device (IID) would have been able to wait the period of time that they were supposed to have had IID installed, and then go to the Oregon Department of Motor Vehicles (DMV) after that time period had elapsed to get their driving privileges reinstated without installing the IID. House Bill 2117 A clarifies that the person ordered to utilize the IID must show proof to the DMV that they had it installed as ordered, and that they did not tamper with or deactivate the device. This bill also gives guidance on who is responsible for monitoring compliance with the devices, and where notices of non-compliance should be directed when generated.

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2117 – A  
[REVISED]**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

Prepared by: John Terpening  
Reviewed by: Steve Bender, Linda Gilbert, Linda Ames  
Date: 3-25-2013

**Measure Description:**

Extends suspension of driving privileges beyond end of suspension or revocation period if person fails to submit proof of installation or maintain installation of required ignition interlock device.

**Government Unit(s) Affected:**

Judicial Department, Oregon Department of Transportation (ODOT), Oregon Health Authority, Cities, Counties

**Summary of Revenue Impact:** Indeterminate

**Summary of Expenditure Impact:**

<b>Agency – Fund Type</b>	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
Department of Transportation – Other Funds	\$386,212	\$421,536

<b>Positions/FTE</b>	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
Department of Transportation	3/2.00	3/3.00

**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 fiscal impact statement as been revised based on additional information received from the affected state agencies.**

For those convicted of a DUII (Driving Under the Influence of Intoxicants) the measure extends suspension of driving privileges beyond the end of suspension or revocation period if person fails to submit proof of installation or maintain installation of required ignition interlock device (IID).

The measure establishes a process for the collection of data from an IID in cases where the device is required as a condition of participation in a DUII diversion agreement and modifies the timing and duration of IID installations. The measure increases the fee paid by persons to an agency or organization that conducts diagnostic assessments from \$150 to \$275. The measure requires the Department of Transportation (ODOT) to adopt rules for the certification of manufacturers and installers of IID, including the establishment of application, issuance and renewal of certificates to cover the cost of the certification program.

The measure establishes the Ignition Interlock Device Management Fund, separate and distinct from the General Fund, continuously appropriates moneys in the fund to ODOT, and credits interest back to the fund. In addition to fees collected by the Department for the certification program, the measure allows other moneys deposited into the fund from any source.

The Transportation Safety Division within ODOT estimates the costs to plan and implement the certification program aspects of the measure would be \$386,212 Other Funds in the 2013-15 biennium.

Included in these costs are three full-time positions, a Program Analyst 1 and 2 and an Administrative Support Specialist. The Program Analyst 1 would be responsible for program development, rulemaking, and communication with organizations, vendors, law enforcement, and the public. ODOT estimates that a full-time Program Analyst 2 position would be needed to conduct the compliance checks on equipment, vendors and installers and a full-time Administrative Support Specialist would be needed to conduct ongoing administration of the new program. Both of these positions would begin in the second year of the 2013-15 biennium. ODOT estimates a cost of \$421,536 Other Funds in 2013-15 for on-going operations. There are additional costs to ODOT for one-time changes to DMV programming, processes and manuals that are included in the cost estimates listed in the above table.

The Legislative Fiscal Office notes that the certification revenue is indeterminate, however based on the expenditure estimates, the Department will need \$386,212 in revenue in 2013-15 biennium and \$421,536 in the 2015-17 biennium to fund the program. If the program were to be self-supporting through certification fee revenue the individual fees could be very significant as there are currently 12 manufacturers of IID's that meet ODOT approval and a 122 installers of IID's throughout the state.

The Oregon Health Authority's (OHA) Addictions and Mental Health Division has an Intoxicated Driver Treatment Program with \$500,000 budgeted toward reimbursement of installers of IID's that are provided to the indigent. Indigent eligibility for IID's is determined by Supplemental Nutrition Assistance Program eligibility. Currently, this program serves about 271 individuals per month and reimburses for installation at a discounted cost of \$53.19 per IID per month.

Currently ODOT estimates approximately 22,000 DUUI arrests per year with about 10,000 being convicted and subject to suspension and IID installation; 10,000 going to judicially mandated diversion programs; and the remainder dismissed or found not guilty. ODOT's Department of Motor Vehicles only tracks the data on IID usage for the 10,000 convictions for compliance which is currently around 36%.

OHA assumes that approximately 18% of the 10,000 DUUI conviction cases that install IID's qualify as indigent. OHA assumes that because proof of installation is required before driving suspension can be lifted for DUUI convictions, compliance with IID installation would increase. OHA estimates the compliance rate for the 1,800 eligible indigents would be around 72%, which is comparable to the compliance rate of other Alcohol and Drug Treatment programs operated within OHA. At a 72% compliance rate, the costs to OHA are approximately \$1.65 million per biennium based on the current monthly reimbursement rate. OHA notes that based on the measure's additional certification and other requirements placed on vendors and installers of IID's, the current contracted reimbursement fee of \$53.19 may be increased by the installers to help recoup more of their costs. The potential rate increase is indeterminate and is not included in the fiscal impact statement.

The Legislative Fiscal Office (LFO) notes that if the IID compliance reached 100% among indigent eligible individuals, the costs to OHA would be approximately \$2.3 million per biennium based on the current reimbursement rate.

There is a minimal fiscal impact to the Judicial Department as a result of this measure.