

**REVENUE IMPACT OF
PROPOSED LEGISLATION
79th Oregon Legislative Assembly
2017 Regular Session
Legislative Revenue Office**

**Bill Number: SB 36-3
Revenue Area: DMV Fees
Economist: Mazen Malik
Date: 05/2/2017**

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

Measure Description:

Provides that Department of Transportation may waive skills test for person seeking motorcycle endorsement to operate three-wheeled motorcycle.

Revenue Impact: Cost reductions for DMV result in higher transfers to the highway fund. The highway fund is shared between the state, cities and counties. The biennial impact is about \$250,000; however, SB 36 would take effect on January 1, 2018, and the first biennium is not going to realize that savings (about \$90,000), but it will be going through the changes to eventually reach higher savings in later years.

Impact Explanation:

The measure directs DMV to discontinue skills testing prior to issuance of a three-wheel restricted motorcycle endorsement. Additionally, DMV will no longer maintain motorcycle skills test courses at the five offices around the state that still have such courses, and will discontinue training related to three-wheel motorcycle skills testing. DMV will continue to administer the motorcycle knowledge test to applicants for a three-wheel restricted motorcycle endorsement, and they will be required to pass the test before the endorsement will be issued. The measure also eliminates the requirement that the application for a driver license, ID card, or permit indicate if the applicant has ever been previously issued a driver license or permit. These questions are no longer necessary on the actual application. Elimination of this requirement creates an efficiency increase for DMV.

The proposed amendment authorizes issuance of limited term commercial licenses and commercial learner driver permits.

The proposed -3 amendment authorizes issuance of limited term commercial driver licenses and learner driver permits, and makes conforming amendments. The -3 amendment also adds an operative date of January 1, 2018, and an emergency clause making the bill effective upon passage.

DMV will issue limited term commercial driver licenses and limited term commercial learner driver permits to persons who have complied with all requirements for the license or permit. A limited term commercial driver license is valid for the applicant's authorized length of stay in the United States, not to exceed eight years. This bill will result in ongoing expenditure savings due to a workload savings. Total savings in 2017-19 are \$87,868 (net savings after implementation costs).

There are additional savings, in the five offices where the tests are given, associated with the elimination of the five motorcycle test courses that are not quantified in this statement.

Creates, Extends, or Expands Tax Expenditure: Yes No