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Prepared by: John Terpening
Reviewed by: Steve Bender, Linda Ames, Gregory Jolivet, Julie Neburka
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Measure Description:

Modifies laws related to ignition interlock devices.

Government Unit(s) Affected:

Judicial Department, Oregon Department of Transportation (ODOT), Oregon Health Authority (OHA), Oregon State Police (OSP)

Summary of Expenditure Impact: See Analysis

Summary of Revenue Impact: See Analysis

Analysis:

This fiscal impact statement has been revised based on additional information received from the Department of Transportation.

The measure establishes a certification program for Ignition Interlock Devices (IID) service centers and technicians that includes certification, inspection, criminal background checks for installers, and tracking and follow-up of negative IID reports. This program is to be operated by the Oregon Department of Transportation (ODOT) for the 2017-19 biennium and then transfer the program to Oregon State Police (OSP) on July 1, 2019. The measure takes effect on the 91st day following adjournment of the 2017 Legislature.

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 measure stipulates that the fees for establishment of application, issuance and renewal of certificates are required to cover the cost of the certification program.

The certification fee and the amount of revenue that will be needed to fund the program is indeterminate. According to ODOT, as of 2016 there were 17 approved IID vendors and 177 installation centers in Oregon, although DMV has since discontinued maintaining the list.

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 2017-19 biennium. Included in these costs are three full-time positions, a Program Analyst 1 and 2 and an Administrative Support Specialist. The Program Analyst 2 would be responsible for program development, rulemaking, and communication with interested parties. ODOT estimates that beginning in January 2018, a full-time Program Analyst 1 position would be needed to conduct compliance checks on equipment, vendors and installers in the field. The full-time Administrative Support position, also starting January 2018 would be needed to conduct ongoing administration of the new program. ODOT notes that the initial startup costs for this program could be funded with federal National Highway Traffic Safety Administration impaired driving grant funds prior to the initial fees being implemented and collected.

ODOT assumes that the associated positions and costs would transfer to OSP when the program transfers July 1, 2019. ODOT notes that the estimated costs for the program, based on the three full-time positions, would be \$421,536 Other Funds in 2019-21.

OSP assumptions regarding the oversight of the program are modeled after the similar program operated by the Washington State Patrol. OSP anticipates the need for five permanent full-time positions dedicated to the IID oversight program upon its transfer July 1, 2019. This includes three Troopers, one Sergeant, and 1 administrative staff, including services and supplies and four vehicles, at a total cost of \$1,822,806 Other Funds. OSP notes that troopers would be responsible for investigating negative reports, testifying at hearings, and conducting site inspections. OSP notes that they would need to establish rules for the certification and renewal fees that would cover the cost of the oversight program.

The Oregon Health Authority (OHA) Addictions and Mental Health Division has the Intoxicated Driver Treatment Program, funded with dedicated Other Funds from the Criminal Fines Assessment revenues. This program reimburses the installers of IID's that are provided to the indigent. Indigent eligibility for IID's is determined by the Supplemental Nutrition Assistance Program eligibility. Currently, OHA reports that it reimburses at a discounted cost of \$42.99 per month. Based on 2013 data from the Department of Motor Vehicles, 35% of court-ordered IID's get installed and approximately 14% of those are paid for by OHA. Assuming this measure increased compliance to 100%, and indigent eligibility remained at 14%, OHA anticipates additional costs of \$720,015 Other Funds in 2017-19 and \$1,440,031 Other Funds in 2019-21.

There is a minimal fiscal impact to the Judicial Department for an anticipated increase in show cause hearings related to this change.