

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1878

Amendment Number: H1 (3/17/15 Engrossment)

Bill Subtitle: TO AMEND THE LAW CONCERNING DRIVER'S LICENSE REINSTATEMENT FEES.

Basic Change : Sponsor: Rep. Hammer

Under current law the Office of Driver Services (office) is authorized to charge \$100 reinstatement fee for each administrative order to suspend, revoke, or cancel a driver's license. In addition, the office is authorized to charge a \$100 reinstatement fee for each separate occurrence of an offense under any provision of the law resulting in a court order directing the office to suspend the driving privileges of the person or the office's entering a suspension order. Currently these fees are cumulative. This bill would reduce the reinstatement fee owed by the suspended person to only the payment of 1 reinstatement fee of \$100 to cover all administrative orders to suspend, revoke, or cancel a driver's license for the person if the district court or circuit court judge verifies that the person has successfully completed a court-ordered diversion program, drug court program, diversion program for veterans, pre-adjudication probation, or other court-ordered program designed to rehabilitate the person. The revenues derived from this one fee will go to the Arkansas State Police Fund. However, any reinstatement fees collected under the Omnibus DWI Act, collected under the Underage Driving under the Influence Law, or underage Refusal to Submit to a chemical test would not be reduced by this bill.

This bill also states the fee authorized in §27-16-808 is not to be reduced, however this statute directs the office to charge a \$100 for reinstating a driver's license suspended because of a conviction for any violation or offense and this fee is to be charged for each separate occurrence. Therefore, this section conflicts with the directive in Section 1 (a) and the intent of this bill is not clear.

The bill contains an emergency clause but provides that the bill will sunset and cease to be effective after 6 months.

Revenue Impact :

The Department of Arkansas State Police Fund and the State Police Retirement Fund would receive less reinstatement fee revenue if this bill is passed. Current records indicate the reinstatement fee loss could be up to \$28,411,100.00.

Taxpayer Impact :

Taxpayers who have multiple suspensions would be able to reduce the amount reinstatement fees owed to the state by completing a court-ordered diversion program, drug court program, diversion program for veterans, pre-adjudication probation, or other court-ordered program designed to rehabilitate the person.

Resources Required :

DFA will be required to program and provide employee training to implement this change. In addition, programming and training would be required again after the 6 month sunset provision. INA would also need to program the reinstatement fee payment portal to implement this bill and then reprogram when the 6 month sunset provision is concluded. Reinstatement fees may now be paid online, through the mail or in person at any Revenue Office.

Time Required :

There is an emergency clause on this bill. Programming and implementation cannot be done to implement this bill by the time allowed in the emergency clause. More time will be needed to implement this bill.

Procedural Changes :

Procedures would need to be developed to remove all but \$100 of the reinstatement fees charged when the person suspended has completed a court-ordered diversion program, drug court program, diversion program for veterans, pre-adjudication probation, or other court-ordered program designed to rehabilitate the person. Training would be required for all employees who collect reinstatement fees. Reinstatement fees may now be paid online, through the mail or in person at any Revenue Office. New procedures and training will be required again at the end of the 6 month sunset provision.

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Other Comments :

This bill states the fee authorized in §27-16-808 is not to be reduced, however this statute directs the office to charge a \$100 for reinstating a driver's license suspended because of a conviction for any violation or offense and this fee is to be charged for each separate occurrence. Therefore, this section conflicts with the directive in Section 1 (a) and the intent of this bill is not clear.

Legal Analysis :

Amendment No. 1 to HB1878 allows for drivers with multiple administrative suspensions on their driver's license to pay one reinstatement fee of \$100 to cover all suspensions, for a period of six months following the effective date if a court certifies verifies that the person has successfully completed a court-ordered rehabilitation program. The bill provides that the one-time \$100 reinstatement fee would not apply to reinstatement fees assessed pursuant to §§ 5-65-119, 5-65-304, 5-65-310, or 27-16-808.

Drivers with multiple violations can amass multiple license suspensions, which can result in a reinstatement fee of \$100 for each individual suspension. It is possible for the total accumulated fees due for reinstatement to reach a large amount.

The provisions of bill are not to be codified. The bill will only be effective for a six month period and contains an emergency clause. The bill will cause substantial administrative difficulty for DFA. More specifically, DFA's Office of Driver Services would have to implement programming changes immediately in order to provide for the requirements of this bill. In addition, DFA would need to train its customer services representatives on the requirements of this bill. In addition, because the bill contains a sunset provision, DFA would also need to implement programming changes and retraining of employees once the provisions of the bill were no longer effective.