

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1878

Amendment Number: H2 (3/27/15 Engrossment)

Bill Subtitle: TO AMEND THE LAW CONCERNING DRIVER'S LICENSE REINSTATEMENT FEES; AND TO DECLARE AN EMERGENCY.

Basic Change : Sponsors: Rep. Hammer and Sen. Hickey

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. Amendment No. 2 resolves this conflict by stating the reduction of fees is allowed only if the person is suspended solely as a result of outstanding driver's license reinstatement fees.

The amendment removes the emergency clause and sets the effective date as January 1, 2016 with a sunset provision ending this practice on June 30, 2016. Section 4 of the amendment requires DFA to provide a report to the Legislative Council and the Director of the Department of Arkansas State Police by October 1, 2016 that includes the following information:

1. The number of eligible participants;
2. The number of participants who were reinstated under this act;
3. The dollar amount paid and the dollar amount written off during the time the act is effective.

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.

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Time Required :

There is no additional time required if this bill is passed.

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.

Legal Analysis :

HB1878 allows drivers with multiple administrative driver's license suspensions to pay one reinstatement fee of \$100 to cover all reinstatement fees. Proposed Amendment No. 2 codifies HB1878 under 27-16-508(a) concerning administrative driver's license suspensions and 27-16-808(c) concerning court ordered driver's license suspensions.

Amendment 2 to HB1878 provides that to be eligible for paying one reinstatement fee, 1. That person's driver's license must be currently suspended solely because of multiple unpaid reinstatement fees, 2. That person must have paid all other court costs, fines, fees, etc. associated with the criminal offense that led to his or her license being suspended, 3. That person must have completed a specialty court program (e.g. drug court, diversion program for veterans, etc.). HB1878 does not apply to reinstatement fees for license suspensions resulting from Driving While Intoxicated, Underage Driving Under the Influence, or Underage Refusal to Submit. HB1878 does not apply to reinstatement fees required in order to reinstate a Commercial Driver's Licenses. This bill is only effective from January 1, 2016, until June 30, 2016.

After the six month effective period, the DFA will report the results to the Legislative Council and the Director of the Arkansas State Police. The report will provide the number of persons reinstated under the bill, the dollar amount collected by DFA, and the dollar amount written off.