# **Department of Finance and Administration**

## **Legislative Impact Statement**

Bill: HB1415

BIII Subtitle: TO AMEND THE ARKANSAS UNIFORM COMMERCIAL DRIVER LICENSE ACT TO COMPLY WITH THE FEDERAL COMMERCIAL DRIVER LICENSE REGULATIONS, AND TO DECLARE AN EMERGENCY.

Basic Change: Sponsor: Rep. Hickerson and Sen. Sample

This bill amends the Arkansas Uniform Commercial Driver License Act to comply with the federal commercial driver license law. Failure to update state law to comply with changes in the federal law could result in the loss of Federal Aid Highway Funds in the amount of \$18 million the first year of non-compliance and \$12 million the second year of non-compliance.

This bill updates the definitions of combination vehicle and gross combination weight rating to agree with the federal definition. Also, military waiver of skills testing for a person who has operated a commercial motor vehicle (CMV) for the military has been updated to allow this waiver to an employee who was regularly employed within the last twelve (12) months, current law is ninety (90) days, in a military position requiring operation of a CMV.

Federal law now requires third-party testers to be bonded in the event one of its examiners is involved in fraudulent activities related to conducting skills testing that require a driver to be retested. The required bond amount is set by the number of tests given in the previous year and is listed in this bill. The third party tester's bond is liable to the Department of Arkansas State Police for payment of its actual costs to retest the driver. A governmental entity including a school district, public university or college that is authorized to perform third party testing is exempted from the bond requirement. Current law does not require third party testers to be bonded.

A technical correction is made in this bill to direct DFA to set the length of time the commercial driver license (CDL) is valid consistent with federal law. Currently the CDL is valid for four (4) years and that will not change in this bill.

This bill adds to the current law that a CDL or commercial learner's permit (CLP) may not be issued while or for a period of one (1) year after the end of a disqualification, suspension, revocation or cancellation of a driver license.

The description of the MD endorsement to the CDL is added in this bill which will authorize the driver to operate a motor driven cycle. This endorsement was not previously listed in the state law.

Restrictions added by federal law and this bill for the CLP are:

"P" - no passengers in a commercial motor vehicle bus; and

"X" -no cargo in commercial tank vehicle

Restrictions added by federal law and this bill for CDL and CLP are:

"W" -only seasonal farm service vehicles

"7" -only diesel fuel and fertilizer vehicles

This bill has an emergency clause to mandate implementation on or after May 18, 2015.

#### Revenue Impact :

There is no revenue impact if this bill is passed.

## Taxpayer Impact :

There will be an impact to third party testers who will now be required to submit a bond to the Arkansas State Police.

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#### Resources Required:

None

## Time Required:

No additional time is required if this bill is passed.

## Procedural Changes:

Procedures will be developed to implement the changes required in this bill.

### Other Comments:

Failure to pass this bill could result in the loss of Federal Aid Highway Funds in the amount of \$18 million the first year of non-compliance and \$12 million the second year of non-compliance.

## Legal Analysis:

HB1415 makes amendments to Arkansas law that are necessary to comply with the Federal Motor Carrier Safety Regulations in order for the State of Arkansas to receive federal highway funds. The federal changes require state law to adopt the new federal definition of "commercial motor vehicle" and "gross combination weight rating."

The bill also sets the length of time a commercial driver license is valid. The bill also requires a third-party tester to obtain and maintain a bond to pay for the retesting of drivers, if necessary. The bond amounts are determined based on the number of tests performed the previous year. A third-party tester that is a governmental entity is not required to obtain and maintain a bond.

The bill also increases the time period that a military member, or former military member, who has operated a commercial motor vehicle for the military is exempt from having to take the skills test to within 12 months.

The bill also prohibits the issuance of a commercial driver's license (CDL) or commercial learner's permit (CLP) to anyone who is subject for CDL disqualification or who has a suspended, revoked, or canceled driver license. The bill also adds letter codes to the endorsements and restrictions listed on a CDL or CLP.

HB1415 contains an emergency clause that makes the law effective on May 18, 2015.