

FISCAL NOTE
SB 1908 - HB 1407

March 9, 2007

SUMMARY OF BILL: Extends the \$400 cap on driver license reinstatement fees that is set to expire on July 1, 2008.

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Net Impact –
\$371,000 Beginning in FY 08-09

Other Fiscal Impact – The State will forfeit the potential collection of reinstatement fees in amounts exceeding \$6,000,000 beginning in FY 08-09.

Assumptions:

- There are approximately 19,000 persons who owe an average of \$735 each in reinstatement fees.
- A cap of \$400 will result in more persons paying reinstatement fees.
- It is estimated there would be an increase in state revenues from approximately 950 persons, who would otherwise choose not to pay reinstatement fees under current law, who will choose to pay reinstatement fees (950 @ \$400).
- It is estimated there would be a decrease in state revenues from approximately 70 drivers who owe more than \$400 who would pay their fees in the absence of this bill. Based on past payment history, these drivers paid an average of \$130 more than the proposed cap (70 @ \$130).
- The state will forfeit the right to collect any monies in excess of the cap that are currently owed. It is estimated that a significant amount would not be collected anyway because payment history shows that persons who owe large amounts will choose not to pay such amounts to be reinstated.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director