

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1877 - SB 1798

March 14, 2011

SUMMARY OF BILL: Requires the Department of Safety (DOS) to revoke the driver license of persons who have not paid all of their litigation taxes, court costs, and fines assessed as the result of any criminal offense within one year of the disposition date. Authorizes the person to apply one time to the court to stay the revocation for 180 days in case of hardship in which case travel is limited to employment or illness related travel.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$6,141,900

Increase State Expenditures – \$984,500

Increase Local Revenue – \$6,473,500

Assumptions:

- According to the DOS, in 2009 there were 328,000 persons who committed a criminal offense that this bill would apply to. Of those, an estimated 75 percent do not pay fines (246,000); of the 246,000, 25 percent (61,650) will reinstate by paying a \$65 reinstatement fee plus show proof of fines paid; of the 61,650, 75 percent (46,237) will apply for a valid driver license.
- An increase in state revenue from reinstatement fees of \$4,007,250 ($\$65 \times 61,650$). An increase in state revenue from driver license fees of \$901,641 ($\$19.50 \times 46,237$).
- The Davidson County Criminal Court Clerk estimates that 25 percent of those reinstating (15,413) would not have paid fines in the absence of this bill.
- Average litigation taxes, court costs, and fines totaling \$500. Approximately 16 percent will be remitted to the state. An increase in state revenue of \$1,233,040 ($15,413 \times \$500 \times 16\%$).
- A total increase in state revenue of \$6,141,931 ($\$4,007,250 + \$901,641 + \$1,233,040$).
- An increase in local revenue of \$6,473,460 ($15,413 \times \$500 \times 84\%$).
- DOS will require six additional Safety Examiner 2 positions to handle phone calls and assist drivers who receive a suspension notice. An increase in recurring state expenditures of \$215,133 ($\$128,736$ salary + $\$62,597$ benefits + $\$23,800$ operational).
- An additional 11 Safety Examiner 1 positions to process mail and update records. An increase in recurring state expenditures of \$368,828 ($\$217,536$ salary + $\$110,592$ benefits + $\$40,700$ operational).

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- An additional six Driver License Examiners to issue driver licenses and assist walk-in reinstatements. An increase in recurring state expenditures of \$225,810 (\$128,880 salary + \$62,630 benefits + \$34,300 operational).
- An additional two Administrative Assistants to type responses and assist safety examiners. An increase in recurring state expenditures of \$71,391 (\$42,912 salary + \$20,839 benefits + \$7,640 operational).
- A recurring increase in state expenditures of \$103,320 for postage on 246,000 suspension notices at \$0.42 per notice.
- A total increase in recurring state expenditures of \$984,482 (\$103,320 + \$71,391 + \$225,810 + \$368,828 + \$215,133).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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