## HOUSE BILL 250

Introduced by Harper, et al.
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Introduced
Referred to Highways \& Transportation
First Reading
Fiscal Note Requested
Fiscal Note Received
Fiscal Note Printed
Hearing
Tabled in Committee
 FOR RENEWAL OF A DRIVER'S LICENSE TO WATCH A VIDEO TAPE OR FILM AND SUCCESSFULLY COMPLETE A TEST ON ITS CONTENTS; INCREASING THE FEE FOR RENEWAL OF A DRIVER'S LICENSE; ALLOCATING THE INCREASED INCOME TO PAY COSTS OF THE VIDEO TAPE OR FILM; AMENDING SECTIONS 61-5-111 AND 61-5-121, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE AND AN APDLICABIIITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
Section 1. Section 61-5-111, MCA, is amended to read:
"61-5-111. Renewals, expirations, and fees for licenses, permits, and endorsements. (1) The department has authority to appoint county treasuress and other qualified officers to act as its agents for the sale of driver's licenses receipts and shall make necessary rules governing sales. In those areas where the department provides driver licensing services 3 days or more a week, the department is responsible for sale of receipts and may not appoint an agent. The department, upon receipt of payment of the fees specified in this section, shall issue a driver's license to every qualifying applicant. The license shall contain a
full-face photograph of the licensee in the size and form prescribed by the department, except as provided in subsection (4); a distinguishing number issued to the licensee; the full name, date of birth, residence address, and a brief description of the licensee; and either a facsimile of the signature of the licensee or a space upon which he shall write his signature in pen and ink immediately upon receipt of the license. A license is not valid until it is signed by the licensee.
(2) (a) The department:
(i) shall, when any a person applies for renewal of a driver's licenser:
(A) test the applicant's eyesighti and
(B) require the applicant to view the video tape or film presentation required under [section 4] and successfully complete a written examination on the content of the material in the video tape or film; and
(ii) may atso--in--the--departmentls--diseretion have require the applicant to demonstrate his physical ability to operate and to exercise ordinary and reasonable care in the operation of a motor vehicle.
(b) In the case of commercial vehicle operator's endorsements, the department may also require that the applicant successfully complete a written examination as required by federal regulations.
(c) A person is considered to have applied for renewal of a Montana driver's license if the application is made within 3 months of the expiration of his license.
(3) A license expires on the anniversary of the date of birth of the licensee 4 years or less after the date of issue.
(4) A license issued to a person under the age of 21 years must contain a photograph of the licensee's profile.
(5) Whenever the department issues an original license to a person under the age of 18 years, the license shał $\ddagger$ must be designated and clearly marked as a "provisional license". Any A license designated and marked as provisional may be suspended by the department for a period of not more than 12 months, when its records disclose that the licensee, subsequent to the issuance of such license, has been guilty of careless or negligent driving. Upon renewal the department may, for any reasonable cause as shown by its records, designate the renewal of the license as provisional; otherwise, a license in usual form must be issued subject to other provisions of the laws of Montana.
(6) fe-istuntawfut-for-any A person to may not have in his possession or under his control more than one Montana driver's license at any one time. A license is not valid for the operation of $a$ motorcycle or quadricycle until the holder thereof of the license has completed the requirements
of 61-5-110 and the license has been clearly marked with the words "motorcycle endorsement". A license is not valid for the operation of a commercial vehicle until the holder thereof of the license has completed the requirements of 61-5-110 and the license has been clearly marked with the words "commercial vehicle operator's endorsement".
(7) Fees for driver's licenses are:
(a) driver's license -- $\$ 3 \$ 3.25$ per year or fraction thereof of a year;
(b) motorcycle endorsement -- 50 cents per year or fraction thereof of a year;
(c) commercial vehicle operator's endorsement:
(i) interstate -- $\$ 3$ per year or fraction thereof of a year:
(ii) intrastate -- $\$ 1.50$ per year or fraction thereof of a year.
(8) A license designated as a chauffeur's license as of January 1,1988 , is valid as a commercial vehicle operator's endorsement until the expiration of the license.
(9) The holder of a chauffeur's license may convert his chauffeur's license to a commercial vehicle operator's endorsement by paying the appropriate fee covering the remainder of the life of his license and complying with the requirements established by the department.
(10) The holder of a valid chauffeur's license who is
renewing and wishes to obtain a commercial vehicle operator's endorsement may do so upon paying the appropriate fees and complying with the requirements established by the department."

Section 2. Section 61-5-121, MCA, is amended to read:
"61-5-121. Disposition of fees. (1) The disposition of the fees from driver's licenses provided for in 61-5-111(7)(a), motorcycle endorsements provided for in 61-5-111(7)(b), commercial vehicle operator's endorsements provided for in 61-5-111(7)(c), and duplicate driver's licenses provided for in 61-5-114 is as follows:
(a) The amount of $ヨ \exists-\exists \nrightarrow 3 \%$ 30.778 of each driver's license fee and $331 / 3 \%$ of each duplicate driver's license fee must be deposited into an account in the state special revenue fund. The department shall transfer the funds from this account to the Montana highway patrol officers' retirement pension trust fund as provided in 19-6-404. Funds transferred from the account are statutorily appropriated, as provided in 17-7-502, to the pension trust fund.
(b) (i) If the fees are collected by a county treasurer or other agent of the department, the amount of $5 \%$ of each driver's license fee and of each duplicate driver's license fee must be deposited into the county general fund.
(ii) If the fees are collected by the department, the amount provided for in subsection (l)(b)(i) must be
deposited into the state special revenue fund for use by the department to defray the costs of issuing licenses or duplicate licenses.
(c) (i) If the fee is collected by a county treasurer or other agent of the department, the amount of $5 \%$ of each motorcycle endorsement must be deposited into the county general fund.
(ii) If the fee is collected by the department, the amount provided for in subsection (1)(c)(i) must be deposited into the state special revenue fund for use by the department to defray the costs of issuing motorcycle endorsements.
(d) The amount of $23- \pm \neq 3 \%$ 21.51\% of each driver's license fee and $231 / 3 \%$ of each duplicate driver's license fee and the amount of $35 \%$ of each motorcycle endorsement fee must be deposited into the state traffic education account.
(e) The amount of $38- \pm \neq 3 \%$ 35.35\% of each driver's license fee and $38.35 \%$ of each duplicate driver's license fee and the amount of $60 \%$ of each motorcycle endorsement fee must be deposited into the state general fund.
(f) If the fee is collected by the county treasurer or other agent of the department, the amount of $5 \%$ of each commerial vehicle operator's endorsement fee must be deposited into the county general fund, otherwise all of the fee must be deposited in the state general fund.
(2) (a) If fees from driver's licenses, commercial vehicle operator's endorsements, motorcycle endorsements, and duplicate driver's licenses are collected by a county treasurer or other agent of the department, he shall deposit the amounts provided for in subsections (1)(b)(i) and (1)(c)(i) into the county general fund. He shall then remit to the state treasurer all remaining fees, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a), the state traffic education account, the driver's license applicant's examination account, and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a), (1)(d), (1) (e), and (l)(f), and (1)(g).
(b) If fees from driver's licenses, commercial vehicle operator's endorsements, motorcycle endorsements, and duplicate driver's licenses are collected by the department, it shall remit all fees to the state treasurer, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a), the state special revenue fund, the state traffic education account, the driver's license applicant's examination account, and the state general fund. The state treasurer, upon receipt of the
fees and statement, shall deposit the fees as provided in subsections (1)(a), (l)(b)(ii), (l)(c)(ii), (l)(d), (l)(e), and (l)(f), and (I)(g)."

NEW SECTION. Section 3. Driver's license applicant's examination account. There is in the state special revenue fund a driver's license applicant's examination account into which money is deposited as provided in 61-5-121. The legislature shall appropriate money from the account to the department for the purpose of preparing and presenting the video tape or film presentations and administering the written examinations required in 61-5-111(2)(a)(i)(B).
NEW SECTION. Section 4. Video tape or film presentations to driver's license applicants. The department shall prepare a video tape or film of not more than 30 minutes duration explaining defensive driving techniques, driver safety precautions, and highway courtesy. Each applicant for renewal of a driver's license under 61-5-111 shall view the video tape or film and successfully complete an examination on its contents.

NEW SECTION. Section 5. Codification instruction. [Sections 3 and 4] are intended to be codified as an integral part of Title 61, chapter 5 , part 1 , and the provisions of Title 61, chapter 5, part 1, apply to [sections 3 and 4].

NEW SECTION. Section 6. Effective date -- partial

1 delayed applicability. [This act] is effective January 1 ,
2 1992, and for purposes of the presentation of the video tape 3 or film to driver's license renewal applicants, applies to 4 events occurring after December 31, 1992.
-End-

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STATE OF MONTANA - FISCAL NOTE
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Form BD-15
In compliance with a written request, there is hereby submitted a Fiscal Note for HBO250, as introduced.

## DESCRIPTION OF PROPOSED LEGISLATION:

The proposed bill would require an applicant for renewal of a driver's license to view a video tape or film and successfully complete a test on the subject matter; increase the fee for renewal of a driver's license and allocate the increased revenue to pay costs of the video tape or film; increase in the renewal fee would be effective January 1 , 1992 and required viewing and testing would be effective January 1, 1993.

## ASSUMPTIONS:

1. 162,500 driver licenses, including both new and renewals, will be issued during each year of the 1993 biennium.
2. Increased expenditures attributable to this bill would be funded by the general fund to the extent they exceed earmarked revenues.
3. The impact on FTE and expenditures is based upon the assumption that the average current waiting lines for driver license services will remain the same (will neither be increased or decreased).
4. It is assumed that a more fully automated system of testing and scoring would substantially increase the fy93 equipment costs and decrease the number of FTE and personal services costs, although some increased FTE would still be necessary. The estimated expenditures shown in the fiscal impact assume that test sheets will be completed and scored manually.
5. 28.00 new FTE would be necessary as Driver Exam Clerks (Grade 6, Step 2) to handle the additional workload. Employee benefits are calculated at a $25 \%$ rate. The clerks are assumed to be hired during October, 1992.
6. 4.00 FTE new Driver Examiners would be necessary to open rural license stations for two days per week rather than one day per week to handle the additional time required for renewals. The positions would be at Grade 11 , Step 2 , for nine months during FY93. Employee benefits are calculated at a $25 \%$ rate.
7. It would be necessary to rent additional or new space for some license stations to house the video booths necessary to provide individual TV/VCR viewing/testing points.
8. Equipment required includes four new vehicles for new driver examiners, $300 \mathrm{TV} / \mathrm{VCR}$ machines, and 33 new counter terminals.
9. It is assumed that $7.37 \%$ of the proposed driver license fees would be allocated to a state special revenue account for video tape and film support.
10. Current law expenditures and funding is represented by the executive budget recomendation for the 1993 biennium for the Driver Services Bureau of the Department of Justice.

## FISCAL IMPACT.



Fiscal Note Request, HBO250, as introduced
Form BD-15
Page 2
Department of Justice-Driver Services Bureau

|  | FY 92 |  |  | FY 93 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Current Law | Proposed Law | Difference | Current Law | Proposed Law | Difference |
| Expenditures: |  |  |  |  |  |  |
| FTE | 94.05 | 94.05 | 0.00 | 94.05 | 126.05 | 32.00 |
| Personal Services | 2,139,385 | 2,139,385 | 0 | 2,151,766 | 2,595,766 | 444,000 |
| Operating Costs | 671,502 | 671,502 | 0 | 666,611 | 869,611 | 203,000 |
| Equipment | 87,470 | 87,470 | 0 | 56, 335 | 395,735 | 339,400 |
| Total | 2,898,357 | 2,898,357 | 0 | 2,874,712 | 3,861,112 | 986,400 |
| Funding: |  |  |  |  |  |  |
| General Fund (01) | 2,720,357 | 2,720,357 | 0 | 2,736,712 | 3,489,562 | 752,850 |
| State Special (02) | 128,000 | 128,000 | 0 | 88,000 | 88,000 | 0 |
| Driver Lic. Exam. (02) | 0 | 0 | 0 | 0 | 233,550 | 233,550 |
| Federal Special (03) | 50,000 | 50,000 | 0 | 50,000 | 50,000 | 0 |
| Total | 2,898,357 | 2,898,357 | 0 | 2,874,712 | 3,861,112 | 986,400 |
| Revenue: |  |  |  |  |  |  |
| General Fund (01) | 747,500 | 747,150 | (350) | 747,500 | 746,800 | (700) |
| Driver's Education (02) | 455,000 | 454,700 | (300) | 455,000 | 454,400 | (600) |
| Highway Patrol Retire. (02) | 650,000 | 650,000 | 0 | 650,000 | 650,000 | 0 |
| Driver Lic. Exam. (02) | 0 | 77,850 | 77,850 | 0 | 155,700 | 155,700 |
| State/County Support (02) | 97,500 | 101, 550 | 4,050 | 97,500 | 105,600 | 8.100 |
| Total | 1,950,000 | 2,031,250 | 81,250 | 1,950,000 | 2,112,500 | 162,500 |
| General Fund Impact |  |  | (350) |  |  | $(753,550)$ |

## EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Minimal increase in revenues to certain counties.

## LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Ongoing expenses in future biennia would be approximately $\$ 800,000$ per year with supporting revenue of about $\$ 150,000$ per year based upon the number of new licenses and renewals estimated for the 1993 biennium.

TECHNICAL NOTES:
The bill does not specify the percentage of the driver license fee that is to be deposited into the new account established in Section 3 of the bill. $7.37 \%$ of the fee has no specified disposition.

