

Department of Legislative Services
 Maryland General Assembly
 1999 Session

FISCAL NOTE

House Bill 487 (Delegate Fulton)

Judiciary

Vehicle Laws - Alcohol- and Drug-Related Offenses - "DWI" Registration Plates

This bill requires the Motor Vehicle Administration (MVA) to issue "DWI" registration plates to a vehicle owner who has been convicted of driving while intoxicated or while under the influence of alcohol or drugs. The special "DWI" plates are valid for a period of two years. The MVA may assess a fee to the owner of the vehicle in order to recover its costs. The owner of the vehicle must continue to register the vehicle as otherwise required by law.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures would increase by \$71,200 in FY 2000 reflecting the bill's October 1, 1999 effective date, exclusive of expenditures for computer programming. Future years reflect annualization, inflation, and the reissuance of regular license plates after the initial two-year registration period. TTF revenues from fees are indeterminate but are expected to completely offset the increased expenditures over time.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
SF Revenues	-	-	-	-	-
SF Expenditures	\$71,200	\$88,900	\$111,900	\$120,400	\$121,800
Net Effect	(\$71,200)	(\$88,900)	(\$111,900)	(\$120,400)	(\$121,800)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

State Effect: TTF personnel expenditures could increase by an estimated \$30,200 in fiscal 2000, which accounts for the bill's October 1, 1999 effective date. This estimate reflects the cost of hiring one administrative specialist to process timely notifications to vehicle owners who have been convicted of drunk or drugged driving. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The information and assumptions used in calculating the estimate are stated below:

- an estimated 9,500 convictions of drunk and drugged driving per year; and
- each convicted driver must be notified by the MVA that current plates must be returned within 30 days of the end of the current registration period.

Salaries and Fringe Benefits	\$25,200
Operating Expenses	<u>5,000</u>
Total FY 2000 State Expenditures	\$30,200

Future year expenditures would be approximately \$35,000 and reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

The MVA will be required to design and produce approximately 9,500 sets of special registration plates at a cost of \$5.75 per set. Accordingly, TTF expenditures would increase by about \$54,600 annually. After the first two-year cycle, MVA will be required to reissue regular registration plates for those individuals returning the special registration plates at a cost of \$3.05 per set. This would increase expenditures by an additional \$29,000 each year beginning in fiscal 2001.

The MVA advises that computer programming expenditures could increase by an estimated \$10,000 to modify the computer programs to accept a new type of plate. The Department of Legislative Services (DLS) advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA system. Further, DLS advises that the increased computer expenditure is simply an estimate and the MVA may be able to handle the changes with either less money than it estimates or existing resources.

The bill requires that the owner of a vehicle who is assigned the special registration tags pay a fee to the MVA. The MVA must set the fee at a level which will allow it to recover its costs. It is unknown at what level the MVA will set the fee. However, there is currently a

\$20 fee for the Chesapeake Bay commemorative plate, from which the MVA retains \$8 for cost recovery. It is assumed the fee for the special "DWI" registration plates would be set at a similar level. Therefore, any costs for the MVA associated with this legislation will be mitigated by the fee.

Information Source(s): Department of Transportation (Motor Vehicle Administration), Judiciary (District Court of Maryland), Department of Legislative Services

Fiscal Note History: First Reader - March 15, 1999

lnc/jr

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