

**FINAL
FISCAL NOTE**

Drafting Number: LLS 14-0791 **Date:** July 17, 2014
Prime Sponsor(s): Rep. Peniston; Szabo **Bill Status:** Signed into Law
 Sen. Tochtrop; King **Fiscal Analyst:** Kristen Koehler (303-866-4918)

SHORT TITLE: COURT-ORDERED DRIVING SCHOOL EVALUATION REPEAL

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	(\$79,200)	(\$79,200)
Cash Funds	(\$79,200)	(\$79,200)
<i>State Transfers</i>		
General Fund	161,533	
Cash Funds	(161,533)	
State Expenditures	(2,100)	(4,200)
Cash Funds	(2,100)	(4,200)
FTE Position Change		
Appropriation Required: See State Appropriations section.		

* This summary shows changes from current law under the bill for each fiscal year. Transfers and diversions result in no net change to state revenue. Parentheses indicate a decrease in funds.

Summary of Legislation

Under current law, if a person is convicted of a motor vehicle violation, the court may require the person to complete a driver improvement training course and pay a penalty. The Department of Revenue (DOR) is responsible for contracting with a private entity to monitor, evaluate, and report on the curriculum and effectiveness of court-ordered driver improvement courses.

This bill removes the requirement that the DOR monitor, evaluate, and report on the curriculum and effectiveness of court-ordered driver improvement courses and eliminates the penalty surcharge imposed on persons who attend these courses. The bill also repeals the Defensive Driving School Fund (fund) and requires the State Treasurer to transfer any remaining fund balance to the General Fund on January 1, 2015.

State Revenue

This bill is expected to decrease state cash fund revenue to the Defensive Driving School Fund in the DOR by an estimated \$79,200 in FY 2014-15. Additionally, the bill requires a transfer from the Defensive Driving School Fund to the General Fund of an estimated \$161,533 in FY 2014-15.

Department of Revenue. Currently, a penalty surcharge is imposed on persons who attend a court-ordered driver improvement course. The amount of the surcharge is \$25. The DOR collects an average of \$6,600 per month in surcharge revenue. The bill eliminates the surcharge and results in a cash fund revenue decrease to the Defensive Driving School Fund of approximately \$79,200 beginning in FY 2014-15.

State transfers. On January 1, 2015, the bill requires that all unexpended funds remaining in the Defensive Driving School Fund be transferred to the General Fund. As of December 31, 2013, the fund had a balance of \$123,603. Based on past revenue and expenditures to the fund, it is projected that the fund balance will be \$161,533 on January 1, 2015.

State Expenditures

The bill is expected to reduce state cash fund expenditures in the DOR by approximately \$2,100 in FY 2014-15. Currently, the DOR spends \$350 per month to maintain the Defensive Driving School website. Due to the bill's effective date, it is estimated that expenditures will be reduced by \$2,100 during the first six months of FY 2014-15.

The bill is also expected to reduce workload in the DOR by a minimal amount. The DOR will no longer be required to monitor, evaluate, and report on the curriculum and effectiveness of court-ordered driver improvement courses.

For FY 2014-15, the Long Bill (House Bill 14-1336) appropriates \$73,145 cash funds to the DOR from the Defensive Driving School Fund.

Effective Date

The bill was signed into law by the Governor and took effect on June 5, 2014.

State Appropriations

For FY 2014-15, the Department of Revenue requires a reduction in cash fund appropriations of \$73,145 to eliminate the department's Defensive Driving School Fund spending authority.

State and Local Government Contacts

Revenue
Public Defenders

Judicial
Local Affairs

Public Safety