

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6623

BILL NUMBER: SB 398

NOTE PREPARED: Jan 1, 2011

BILL AMENDED:

SUBJECT: Annual Driving Tests for Persons at Least 85 Years of Age.

FIRST AUTHOR: Sen. Yoder

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that an operator's, a chauffeur's, a motorcycle operator's, or a public passenger chauffeur's license issued to or renewed by a driver who is at least 85 years of age expires at midnight on the birthday of the holder that occurs one (1) year following the date of issuance.

The bill also requires an individual who is at least 85 years of age applying for renewal of an operator's, a motorcycle operator's, a chauffeur's, or a public passenger chauffeur's license to apply in person at a license branch and pass an actual demonstration of the individual's ability to exercise ordinary and reasonable control in the operation of a motor vehicle under the type of license for which the individual is applying for renewal.

Effective Date: July 1, 2011.

Explanation of State Expenditures: This bill will increase the workload of BMV to provide annual eyesight and motor vehicle control examinations as well as written examinations to individuals who maintain 6 active points on their driver's license. Currently, these examinations are required every two years for individuals over the age of 85 and require only a vision test for renewal, unless the individual has a license that has been expired for six or more months. In this case, the applicant must submit to a road and written examination as well.

Explanation of State Revenues: *Summary:* This bill will increase revenue the BMV receives. The increase in revenue will depend on the number of individuals who seek license renewal and are over the age of 85. The BMV reports there are 52,325 valid 2-year driver's licenses for people who are 85 years of age and older. Currently, the fee for a 2-year driver's license is \$7. Provided the BMV applies this fee to the 1-year license designated for individuals who are 85 years of age and older and still charges \$7 for renewal, the

BMV is expected to receive an additional \$183,000 in revenue each year.

Additional Information:

Currently for the 52,325 valid 2-year driver's licenses for people 85 years of age and older, the BMV receives approximately \$366,000 every two years (or \$183,000 per year). Assuming all 52,325 individuals that currently hold a valid 2-year driver's license will annually renew their license at \$7 per renewal, the state will receive approximately \$366,000 in revenue per year from fees. The increase in revenue received will be approximately \$183,000 per year.

Revenue obtained from learner's permits and driver's licenses are distributed to the Motor Vehicle Highway Account (MVHA), Crossroads 2000 Fund, Anti-Terrorism Fund, BMV Technology Fund, and State License Branch Fund. Of the \$183,000 increase in revenue from driver's license fees, each account is expected to receive the following.

Fund	FY 2012 Revenue Increase	Uses
MVHA	\$7,044	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the Department of State Revenue.
Crossroads 2000 Fund	\$35,218	Bonding for highway projects.
Anti-Terrorism Fund	\$22,012	Supporting the Integrated Public Safety Commission.
BMV Technology Fund	\$8,804	Upgrading technology at the BMV.
State License Branch Fund	\$110,060	Supporting the operation of the licenses branches throughout the state.
Total Increase in Revenue From Fees	\$183,138	

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues* regarding MVHA revenue.

State Agencies Affected: BMV, Department of State Revenue as recipients of MVHA distributions.

Local Agencies Affected: Recipients of MVHA distributions.

Information Sources: BMV driver's license data for CY 2009; Danielle Roessing, BMV.

Fiscal Analyst: Bill Brumbach, 232-9559.