Foil HB No. 1252

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

MTR VEHICLE/DRIVER LIC. Provides that drivers' licenses be renewed every six years.

DIGEST

<u>Present law</u> provides that applicants for Class "D" and "E" driver's licenses or renewal of a Class "D" or "E" driver's license, except bona fide New Orleans residents, shall pay a basic license fee of \$28.50. \$7.43 of the fee shall be paid to the State Police Pension and Retirement Fund. \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the basic license fee <u>from</u> \$28.50 <u>to</u> \$42.75 and provides that \$11.15 shall go to the La. State Police Retirement System Fund and \$1.50 shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that the fee for Class "D" driver's licenses or renewal of a Class "D" driver's license issued to a resident of New Orleans shall be \$36.00, and \$10.00 shall be payable to the board of trustees of the police pension fund of the city of New Orleans. \$1.23 of the fee shall be paid to the State Police Pension and Retirement Fund, and \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the fee <u>from</u> \$36.00 <u>to</u> \$54.00, and provides that \$15.00 shall be payable to the board of trustees of the police pension fund of the city of New Orleans. \$1.84 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that there shall be a \$5.00 fee for an emergency vehicle endorsement for any vehicle group. <u>Proposed law</u> raises the fee <u>from</u> \$5.00 to \$7.50.

<u>Present law</u> provides that Class "D" and "E" driver's licenses expire on the anniversary of the birthday of the applicant that is nearest to a period of four years subsequent to the issuing of the license.

Proposed law changes the period from a four-year period to a six-year period.

<u>Present law</u> provides that applicants for a Class "E" driver's license or for a renewal of a Class "E" driver's license, except bona fide residents of New Orleans, shall pay a basic license fee of \$13.50. \$3.75 shall be paid to the State Police Pension and Retirement Fund, and \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the basic license fee for a Class "E" driver's license or renewal of a Class "E" driver's license, except for residents of New Orleans, <u>from</u> \$13.50 <u>to</u> \$20.25. \$5.63 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that the fee for a Class "E" driver's license or for renewal of a Class "E" driver's license for a resident of New Orleans shall be \$13.50. \$2.50 of the fee shall be paid to the board of trustees of the police pension fund of the city of New Orleans, and \$2.50 of the fee shall be paid to the State Police Pension and Retirement Fund. \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the basic license fee for a Class "E" driver's license or renewal of a Class "E" driver's license for a resident of New Orleans <u>from</u> \$13.50 to \$20.25, and \$3.75 of the fee shall be paid to the board of trustees of the police pension fund of the city of New

Orleans. \$3.75 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that applicants for Class "A", "B", or "C" commercial driver's licenses or for renewal of those licenses, except for residents of New Orleans, shall pay a basic license fee of \$41.00. \$10.80 of the fee shall be paid to the State Police Pension and Retirement Fund, and \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the basic license fee for Class "A", "B", and "C" driver's licenses or renewals of those licenses, except residents of New Orleans, <u>from</u> \$41.00 <u>to</u> \$61.00. \$16.20 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that the fee for a basic Class "A", "B", or "C" driver's license or for the renewal of a Class "A", "B", or "C" driver's license for residents of New Orleans shall be \$51.00. \$10.00 of the fee shall be paid to the board of trustees of the police pension fund of the city of New Orleans, and \$10.00 of the fee shall be paid to the State Police Pension and Retirement Fund. \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the fee for a basic Class "A", "B", or "C" driver's license or for renewals of such license for residents of New Orleans <u>from</u> \$51.00 <u>to</u> \$76.50. \$15.00 of the fee shall be paid to the board of trustees of the police pension fund of the city of New Orleans, and \$15.00 of the fee shall be paid to the La. State Police Retirement System Fund. \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that there shall be a fee of \$5.00 for each endorsement to the basic licenses listed in R.S. 32:408(B). <u>Proposed law</u> increases the fee <u>from</u> \$5.00 to \$7.50.

<u>Present law</u> provides that Class "A", "B", and "C" commercial driver's licenses shall expire on the anniversary of the birthday of the applicant that is nearest to a date of four years subsequent to the issuing of the license.

<u>Proposed law</u> changes the period <u>from</u> a four-year period <u>to</u> a six-year period.

<u>Present law</u> provides that every applicant 70 years of age or older for a Class "E" driver's license or for a renewal of a Class "E" driver's license, except bona fide residents of New Orleans, shall pay a basic license fee of \$4.50. \$0.50 of the fee shall be paid to the office of state police. \$1.50 of the fee shall be paid to the State Police Pension and Retirement Fund, and \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the basic license fee for a person 70 years of age or older for a Class "E" driver's license or renewal of such license <u>from</u> \$4.50 <u>to</u> \$6.75. \$0.75 of the fee shall be paid to the office of state police. \$2.75 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that applicants 70 years of age or older for a Class "D" driver's license or for a renewal of such license, except residents of New Orleans, shall pay a basic license fee of \$14.75. \$3.71 shall be paid to the State Police Pension and Retirement Fund, and \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> changes the basic license fee for a person 70 years of age or older for a Class "D" driver's license or for a renewal of such license, except residents of New Orleans, <u>from</u> \$14.75 to \$22.13. \$5.56 shall be paid to the La. State Police Retirement System Fund, and \$1.50 shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that applicants 70 years of age or older for a Class "E" driver's license or for renewal of a Class "E" driver's licenses who are residents of New Orleans shall pay a basic license fee of \$4.50. \$1.00 of the fee shall be paid to the board of trustees of the police

pension fund of the city of New Orleans, and \$1.00 of the fee shall be paid to the State Police Pension and Retirement Fund. \$1.00 of the fee shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> increases the basic license fee that applicants 70 years of age or older for a Class "E" driver's license or for renewal of a Class "E" driver's license who are residents of New Orleans <u>from</u> \$4.50 to \$6.75. \$1.50 of the fee shall be paid to the board of trustees of the police pension fund of the city of New Orleans, \$1.50 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 of the fee shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that applicants 70 years of age or older for a Class "D" driver's license or for renewal of a Class "D" driver's license who are residents of New Orleans shall pay a basic license fee of \$18.50. \$5.00 of the fee shall be payable to the board of trustees of the police pension fund of the city of New Orleans, \$0.61 of the fee shall be paid to the State Police Pension and Retirement Fund, and \$1.00 shall be forwarded to the litter abatement and education account.

<u>Proposed law</u> increases the basic license fee that applicants 70 years of age or older for a Class "D" driver's license or for renewal of a Class "D" driver's license who are residents of New Orleans <u>from</u> \$18.50 to \$27.75. \$7.50 of the fee shall be payable to the board of trustees of the police pension fund of the city of New Orleans, \$0.92 of the fee shall be paid to the La. State Police Retirement System Fund, and \$1.50 shall be forwarded to the litter abatement and education account.

<u>Present law</u> provides that the addition of a motorcycle or motor scooter endorsement to a basic license requires the payment of an additional fee of \$8.00. If the motorcycle endorsement is to any license that is valid for less than four years, the fee for the endorsement will be \$4.00.

<u>Proposed law</u> changes the period <u>from</u> a four-year period <u>to</u> a six-year period and increases the additional fee <u>from</u> \$8.00 <u>to</u> \$12.00. <u>Proposed law</u> also changes the endorsement fee from \$4.00 to \$6.00.

<u>Present law</u> provides that \$5.00 from the fee for a motorcycle or motor scooter endorsement to a basic license, or \$2.00 from the fee if the motorcycle endorsement for any person is to a license that is valid for less than only four years shall be credited to the Bond Security and Redemption Fund.

<u>Proposed law</u> changes the period <u>from</u> a four-year period <u>to</u> a six-year period. Provides that \$7.50 from the fee for a motorcycle or motor scooter endorsement to a basic license, or \$3.00 from the fee if the motorcycle endorsement for any person is to a license that is valid for less than only four years shall be credited to the Bond Security and Redemption Fund.

<u>Proposed law</u> requires the treasurer to pay one-third of the money received pursuant to R.S. 32:412 (on driver's licenses as set forth above) into the Office of Motor Vehicles Driver's License Escrow Fund. One-half of the money in such fund is required to be appropriated, in FY 2019, 2025, and 2031, and one-half in FY 2020, 2026, and 2032. The calculation of the amount is made prior to the distribution to the board of trustees of the police pension fund of the city of New Orleans, the La. State Police Retirement System Fund, and the Conservation Fund under the provisions of R.S. 56:10(B)(15).

<u>Present law</u> provides that the office of motor vehicles shall collect a handling charge of \$8.00 for new applications, renewals, duplicates, and valid without photo Class "D" and "E" driver's licenses. Provides that \$2.50 of the fee charged for any handling fee charged or collected shall be forwarded to the state treasurer for deposit into the Office of Motor Vehicles Customer Service and Technology Fund.

<u>Proposed law</u> increases the handling fee for new applications, renewals, duplicates, and valid without photo Class "D" and "E" driver's license <u>from</u> \$8.00 to \$12.00. Provides that \$3.75 on Class "D" and "E" driver's license transactions, and \$2.50 of the fee charged for all other

handling fees shall be forwarded to the state treasurer for deposit into the Office of Motor Vehicles Customer Service and Technology Fund.

<u>Proposed law</u> requires the treasurer to pay one-third of the money received pursuant to R.S. 32:412.1 into the Office of Motor Vehicles Handling Fee Escrow Fund, both created by the <u>proposed law</u> in the state treasury. One-half of the money in the fund shall be appropriated in the 5th and 6th year of the driver's license cycle: one-half in FY 2019, 2025, and 2031 and one-half in FY 2020, 2026, and 2032. Of the funds appropriated, 68.75% shall be allocated to self-generated revenue and 31.25% shall be allocated to the Office of Motor Vehicles Customer Service and Technology Fund.

<u>Proposed law</u> requires all unexpended and unencumbered money in the Office of Motor Vehicles Driver's License Escrow Fund and the Office of Motor Vehicles Handling Fee Escrow Fund at the end of the fiscal year to remain in the fund to cover undercollections in any subsequent fiscal year. The money in the funds is required to be invested in the same manner as money in the state general fund and is to be deposited into the state general fund.

<u>Present law</u> provides that the governing authority of any local government subdivision is authorized to levy a fee for each service or transaction carried out as an operation of an office of motor vehicles field office that is not fully funded by the state. Except as provided by <u>present law</u>, the fee shall not exceed \$3.00 per service or transaction. The fee may be levied in an amount not to exceed \$4.00 by the local governing authority of Orleans Parish.

<u>Proposed law</u> provides that the fee charged by local government subdivisions for services and transactions carried out as operations of an office of motor vehicles field office shall not exceed \$4.50, except as provided by <u>present law</u>. The fee may be levied in an amount not to exceed \$6.00 by the local governing authority of the parishes of Orleans and Jefferson.

Proposed law shall become effective July 1, 2015.

(Amends R.S. 32:412(A)(1), (2), (3), (4)(a) and (b)(introductory paragraph), (5), (6), (7)(a) and (b)(introductory paragraph), (B)(1), (2), (5), (7)(a)(i) and (ii)(introductory paragraph), (b)(i) and (ii)(introductory paragraph), (c)(i) and (ii)(introductory paragraph), (d)(i) and (ii)(introductory paragraph), (e)(i)(aa), (bb)(introductory paragraph), (cc), (dd), and (ee), and (ii)(aa), (cc), (dd) and (ee) and (C), 32:412.1(B), (C), and (D), and 32:429(A); Adds R.S. 32:412.1(E) and 412.3; Repeals R.S. 32:412.1(A)(1))

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Transportation</u>, <u>Highways and Public Works</u> to the <u>original</u> bill.

1. Increases the license fees by one-third to cover the extension of the driver's license renewal period.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the reengrossed bill

- 1. Creates the Office of Motor Vehicles Driver's License Escrow Fund and the Office of Motor Vehicles Handling Fee Escrow Fund and requires the deposit of a portion of the driver's license and handling fees into the funds and provides for the appropriation and the allocation of a portion of such appropriations to certain purposes, and the deposit of earnings on the investment of such funds into the state general fund.
- 2. Provides Jefferson Parish with a similar authorization, which Orleans Parish has in <u>present law</u>, to charge a fee of \$6.00 instead of the \$4.50 authorized for other parishes, for a fee for each service or transaction carried out as an operation of an office of motor vehicles field office that is not fully funded by the state.

<u>Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs</u> <u>to the reengrossed bill</u>

- 1. Makes technical corrections.
- 2. Changes effective date <u>from</u> Feb. 1, 2015, <u>to</u> July 1, 2015.