



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 164** SLS 11RS 233

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 22, 2011	4:59 PM	Author: ERDEY
Dept./Agy.: Motor Vehicles		
Subject: On-Road Testers		Analyst: Evelyn McWilliams

DRIVER EDUCATION

EN SEE FISC NOTE SG RV See Note

Page 1 of 1

Requires currently licensed or contracted third-party testers administering driver's education courses to be licensed or contracted to administer on-road driving skills tests; requires such third-party testers to administer such test; and requires Requires every person licensed to operate a private driving school or agency, or to provide driving courses by the Department of Public Safety and Correction on or after June 30, 2012, to administer the on-road driving skills test required for issuance of a Louisiana Class D and E license. Removes exemption for successful completion of driver education course or a pre licensing training course for first -time applicant 17-years or older living 25 miles or more from a location proving a pre licensing training course. Eliminates requirement for an appropriation and certification by the Department of Education of a statewide driver education course in each parish before the completion of the driver education is required.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

The Office of Motor Vehicles is in the process of reducing the number of hours the on-road driving skills test is available to the public at its offices and its FY 12 proposed budget reflects a reduction in HB 1 (-\$817,000 and 20 T.O.) due to this shift. The reduction in the availability of the on-road driving skills test at motor vehicle offices is not dependent on passage of this bill. The agency hopes this legislation, although an integral part of the agency’s shift to reduce its on-roads driving skills testing activities, will increase the number of on-road driving skills practice hours by applicants, and increase the number of third party testers providing such service. The bill requires every person or agency licensed by the Department of Public Safety to operate a private driving school or to provide driving courses, to administer the on-road driving skills test for issuance of a Louisiana Class D and E license. In order to administer the on-road driving skills tests, these individuals must become licensed as a third-party tester. As part of the licensing requirement for a third party tester, the current rule requires third party testers to maintain a minimum amount of insurance coverage. Licensees must maintain a minimum limit of automobile liability insurance coverage of \$1 million per occurrence along with a minimum general liability policy of \$1 million per occurrence.

REVENUE EXPLANATION

The revenue impact associated with this legislation is not known. There are currently 195 contracted private driving training schools (\$25 license fee) and 350 driving training instructors (\$10 license fee) licensed by the Office of Motor Vehicles who are not licensed as a third party tester (\$50 license fee). In addition, there are 50 driving instructors approved by the Department of Education. Since these driving schools and instructors are not licensed as a third party tester they cannot administer the on-road driving skills test and are only licensed to provide classroom instruction. If all currently licensed driving training schools and instructors applied to become licensed as a third party tester, an additional \$21,375 in fees and self-generated revenue would be realized annually. However, in order to be licensed as a third party tester the applicant must maintain a \$1M insurance policy. It is not known how many driving schools or instructors will be willing to comply with this requirement.

Senate	Dual Referral Rules	House	<i>Evan Brasseaux</i>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	
		<input type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brasseaux Staff Director