



# NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

## Legislative Fiscal Note

**Short Title:** Require Driver Retraining Course.  
**Bill Number:** House Bill 864 (Second Edition)  
**Sponsor(s):**

### SUMMARY TABLE

#### FISCAL IMPACT OF H864, V.2 (\$ in millions)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
<b>State Impact</b>					
Highway Fund Revenue	-	-	-	-	-
<u>Less Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Highway Fund Impact</b>	<b>No Estimate Available - Refer to Fiscal Analysis section</b>				

#### NET STATE IMPACT

**TECHNICAL CONSIDERATIONS:** See Technical Considerations Section

### FISCAL IMPACT SUMMARY

There is no estimate available for the fiscal impact of H.B. 864.

### FISCAL ANALYSIS

This bill requires the Division of Motor Vehicles (DMV) to establish in-person driver retraining courses for persons subject to a license suspension for non-DWI violations and all violations committed on military installations. After a driver's license is suspended, completion of the driver retraining course is required before regaining the driving privilege. The courses may be conducted in-house or through contract. DMV is authorized to charge a maximum fee of \$175, of which \$25 may be retained by DMV for the course, unless the driver receives public assistance. If the driver shows proof of receiving public assistance, there is no charge for the course.

License suspensions will be effective 90 days from a presuspension notice date. If a person completes the driver retraining course within a 90-day period defined by a pre-suspension notice, DMV shall cancel the suspension and all points, and the driver may retain their license. If a person completes the course after the 90-day presuspension period, the suspension shall be terminated and the licensee may apply for restoration of the driving privilege.

There is no estimate available for the number of drivers who will take the driver retraining course within the 90-day presuspension period. Drivers who take the course within the 90-day presuspension period would not be subject to \$65 license restoration fee, which will decrease the revenues collected by DMV. In 2018, approximately 3,500 suspension notices were mailed to drivers for non-DWI violations and violations committed on military installations. Assuming this suspension notice rate is consistent each year and that all drivers completed the in-person training course within the 90-day presuspension period, this would result in an annual loss of \$227,500 (3,500 drivers \* \$65 restoration fee).

There is no estimate available for the cost to DMV associated with the driver retraining course.

DMV operates and maintains the State Automated Driver License System (SADLS), a computer system that maintains driver data. This system will require extensive technical modifications to cancel suspensions or hold suspensions indefinite as required by the H.B. 864, as well as creating new protocols to track those drivers required to take the driver retraining course. These protocols will track whether or not the course is completed, and cancel points and/or suspensions as appropriate. It is estimated that these modifications will result in one-time costs of \$536,000, with annual maintenance costs of \$53,600 beginning in FY 2020-21.

Additionally, the size of the project and use of a third-party vendor will require Project Management Office (PMO) Project Oversight. The PMO will draft Requests for Proposal (RFPs) based on DMV requirements, and provide an RFP to IT Procurement for publishing and public bidding. It is estimated that PMO Project Oversight will cost \$212,000.

## **TECHNICAL CONSIDERATIONS**

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Due to the resources allocated for other DMV IT projects, including the implementation of State and federal requirements, the technical modifications to SADLS required by this bill cannot be implemented prior to March 1, 2021.

## **DATA SOURCES**

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Division of Motor Vehicles, Department of Transportation

## **FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS**

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This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at [FiscalNoteRequests@ncleg.net](mailto:FiscalNoteRequests@ncleg.net) or call (919) 733-4910.

## **LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS**

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This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

## **CONTACT INFORMATION**

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Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

## **ESTIMATE PREPARED BY**

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Mary Greeson

## **ESTIMATE APPROVED BY**

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June 28, 2019



**Signed copy located in the NCGA Principal Clerk's Offices**