

Colorado Legislative Council Staff Fiscal Note

STATE
FISCAL IMPACT

Drafting Number: LLS 11-0756	Date: March 9, 2011
Prime Sponsor(s): Rep. Vaad; Looper Sen. Tochtrop	Bill Status: House Transportation Fiscal Analyst: Kurtis Morrison (303-866-3140)

TITLE: CONCERNING THE EVALUATION OF DRIVER-IMPROVEMENT SCHOOLS THAT PEOPLE ATTEND AS A RESULT OF A VIOLATING A TRAFFIC LAW.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012	FY 2012-2013
State Revenue			
Cash Funds			
Defensive Driving School Fund	(\$16,000)	(\$97,000)	(\$97,000)
State Transfers or Diversions	See State Transfers or Diversions section.		
Transfer from Defensive Driving School Fund to the General Fund			
State Expenditures			
Cash Funds			
Defensive Driving School Fund	(\$38,644)	(\$226,556)	(\$226,556)
FTE Position Change	(0.1 FTE)	(0.5 FTE)	(0.5 FTE)
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.			
Appropriation Summary for FY 2011-2012: None required.			
Local Government Impact: None.			

Summary of Legislation

Under state law, traffic law offenders may be required to attend a driver instruction course and pay a penalty surcharge of \$25. Surcharge fees are credited to the Defensive Driving School Fund to contract with a private entity for the purposes of monitoring and evaluating driver improvement classes. House Bill 11-1272 repeals state requirements for the Department of Revenue (DOR) to contract with a private entity to monitor and evaluate driver-improvement schools. The bill also repeals the Defensive Driving School Fund and eliminates required surcharge payments by persons who are court-ordered to attend a driver improvement school.

State Revenue

The bill reduces state cash fund revenue by about \$16,000 in FY 2010-11 and \$97,000 in FY 2011-12 and each year thereafter. Approximately \$8,044 in surcharge revenue is collected each month and deposited in the Defensive Driving School Fund. Assuming the continuation of

current revenue collections per month, annual surcharge revenue reductions under the bill are estimated at \$97,000 per year. The fiscal note assumes the bill will take effect during the final two months of FY 2010-11, thereby reducing surcharge revenue for the current fiscal year by about \$16,000.

State Transfers or Diversions

The Defensive Driving School Fund is anticipated to have approximately \$126,000 in revenue at the time of the bill's implementation. The fiscal note assumes that, upon the repeal of the Defensive Driving School Fund, all remaining fund balances will be transferred to the General Fund.

State Expenditures

The bill decreases annual state cash fund expenditures by \$38,644 in FY 2010-11 and 226,556 in FY 2011-12 and each year thereafter. The bill also reduces DOR workload by 0.1 FTE in FY 2010-11 and 0.5 FTE in FY 2011-12. The majority of Defensive Driving School Fund expenditures are provided for contractor services to evaluate and monitor driving schools; contracted services are eliminated under the bill. The bill also reduces DOR workload supported by the Defensive Driving School Fund revenue. Judicial Branch staff time is also necessary to update forms used by the court — such work is anticipated to be minimal and absorbable within existing resources.

Departments Contacted

Judicial Revenue