

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: SB 578

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Ebbin

3. Committee: Courts of Justice

4. Title: Suspension of driver's license for nonpayment of fines or costs.

5. Summary: Removes the requirement that a court suspend the driver's license of a person convicted of any violation of the law who fails or refuses to provide for immediate payment of fines or costs. The bill allows a court, after 90 days of nonpayment where the court finds the nonpayment was not an intentional refusal to obey the sentence of the court, to provide additional time for payment, reduce the amount of each payment installment, assign community service in lieu of payment, or waive the unpaid portion in whole or in part. Upon a finding that the nonpayment was an intentional refusal to obey the sentence of the court, a court may suspend the defendant's driver's license until payment in full or until the defendant enters into a payment plan.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: This bill 1) increases the grace period to pay fines and costs prior to driver's license suspension from 30 days to 90 days and 2) requires the holding of a show cause hearing prior to the suspension of a driver's license for unpaid fines and costs.

Suspended drivers pay a \$145 reinstatement fee, of which \$100 goes to the Trauma Center Fund and \$45 goes to DMV. Drivers with multiple suspensions or revocations pay the \$145 reinstatement fee for the first order reinstated and a \$5 multiple order fee for each additional order. To the extent that this bill lowers the number persons being suspended, this bill will result in a loss of reinstatement fee revenue for DMV. The amount of the loss cannot be predicted because some drivers may continue to be suspended if, after the show cause hearing, the court determines that the license should be suspended. Although DMV could absorb the loss of revenue in the short term, it is anticipated that DMV will not have enough revenues in future years to equal anticipated expenses.

Additionally, the requirement to hold show cause hearings could cause an impact upon the judicial branch. According, the Office of the Executive Secretary of the Supreme Court During calendar year 2017, the general district courts suspended 262,140 licenses for failure to pay fines and costs and the juvenile and domestic relations district courts suspended 13,950 licenses for failure to pay fines and costs, for a total of 276,000 license suspensions.

Therefore, potentially, this bill could result in 276,000 additional hearings in the district courts. However, since these cases are initiated by the courts on a motion for the defendant to show cause why the license should not be suspended and since there could be difficulties serving the motion on the defendant, it is possible that there will not be hearings in every case where there is a failure to pay fines and costs. If there are additional hearings on the district courts, there may be delays. However, it is not possible to determine the fiscal impact on the judicial branch at this time.

9. Specific Agency or Political Subdivisions Affected:

Department of Motor Vehicles
Department of Health
District courts

10. Technical Amendment Necessary: No.

11. Other Comments: None.