



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: S.B. 170 of the 132nd G.A.

Status: As Reported by House Government Accountability and Oversight

Sponsor: Sen. LaRose

Local Impact Statement Procedure Required: No

Subject: Temporary pilot program waiving commercial driver's license skills test for military personnel and universal validation stickers for passenger vehicle fleets

State & Local Fiscal Highlights

- Over the course of the bill's four-year pilot program, there may be some decrease in the amount of Commercial Driver's License skills testing fee revenue collected for use by the Department of Public Safety. The potential magnitude of that revenue decrease will depend on the number of additional skills test waivers that are granted.
- The Bureau of Motor Vehicles will incur one-time costs to design and print a universal validation sticker with no expiration date. The magnitude of those costs will depend, in part, upon the number of owners of eligible passenger vehicle fleets that choose to obtain a universal validation sticker and the number of vehicles owned by the fleet.
- The bill has no direct fiscal effect on any of the state's political subdivisions.

Detailed Fiscal Analysis

The bill: (1) requires the Director of Public Safety to seek approval from the United States Federal Motor Carrier Safety Administration (FMCSA) to implement a four-year pilot program that expands eligibility for military personnel and veterans to receive a skills test waiver for a Commercial Driver's License (CDL), (2) specifies that the pilot program, if FMCSA approval is granted, must begin no later than 30 days after such approval is received, and (3) makes changes to the laws governing universal validation stickers that are available to owners of passenger vehicle fleets.

Pilot program

Current federal law authorizes states to waive the skills test portion of CDL licensure for service members who are currently licensed and who are or were employed within the previous 12 months in a military position that required the operation of a military motor vehicle equivalent to a commercial motor vehicle. The bill's pilot program, if approved by the FMCSA, will expand eligibility for that skills test

waiver by permitting current and former military personnel to receive a CDL skills test waiver if they certify and provide evidence that they operated such a vehicle for at least two years during any portion of their military service or employment.

The one-time cost for the Department of Public Safety to seek approval from the FMCSA and implement a four-year pilot program, if granted, is likely to be negligible. However, given that the bill would expand skills test waiver eligibility to applicants whose military service or employment was more than 12 months prior to their application for a CDL, there may be some decrease in the amount of CDL skills testing fee revenue collected annually for the duration of the program by the state and third-party vendors. According to the Department, 72 skills test waivers were issued in 2016, however, the total number of military personnel (both current and former) that apply for a CDL each year is uncertain. The current cost of a skills test is \$50 at a state-owned testing facility and \$85 at a third-party testing facility. The fees collected by the state for skills tests are credited to the Public Safety – Highway Purposes Fund (Fund 5TM0). The magnitude of any revenue loss would depend on the number of additional skills test waivers that are granted.

Reporting requirement

The bill requires the Director of Public Safety to collect data throughout the duration of the program and submit a report summarizing that data to the Speaker of the House of Representatives and the President of the Senate within 30 days after the date on which the program ends. The costs for the Department of Public Safety to collect data and produce and issue a report are likely to be minimal, at most.

Universal validation stickers

The bill modifies eligibility criteria for owners of passenger vehicle fleets to obtain universal validation stickers by increasing the minimum number of vehicles owned from 250 to 500, and requires the universal validation sticker be issued without an expiration date beginning January 1, 2019. The Bureau of Motor Vehicles will incur one-time costs to design and print a universal validation sticker with no expiration date. The magnitude of those costs will depend, in part, upon the number of owners of eligible passenger vehicle fleets that choose to obtain a universal validation sticker and the number of vehicles owned by the fleet. Since the sticker does not expire, it is possible that the costs of designing and printing it will be at least partially offset by not having to print as many in the future.