



# OHIO LEGISLATIVE SERVICE COMMISSION

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## Fiscal Note & Local Impact Statement

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

**Status:** As Passed by the House

**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

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### 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 amount of that revenue decrease will depend on the number of additional skills test waivers granted. The costs to establish and operate the program will most likely be absorbed utilizing existing staffing levels and appropriated funds.
- The Bureau of Motor Vehicles will incur one-time costs to design and print a universal validation sticker with no expiration date that may be offset to some degree by printing fewer stickers with expiration dates in the future.
- 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 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 then implement a four-year pilot program most likely can be absorbed utilizing existing staffing levels and appropriated funds. However, given that the bill will 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 not readily available, as it is not tracked and reported. 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 revenue loss would depend on the number of additional skills test waivers 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 most likely can be absorbed utilizing existing staffing levels and appropriated funds.

### **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. Those costs will depend, in part, upon the number of owners of eligible passenger vehicle fleets choosing 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 stickers with expiration dates in the future.