

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 929 - SB 894

February 19, 2023

SUMMARY OF BILL: Requires the Department of Safety (DOS) to issue, renew, and reinstate a driver license, instruction permit, intermediate driver license, or photo identification card free of charge to a person under the age of 18 who is in the custody of the Department of Children's Services (DCS) or receiving foster care services.

FISCAL IMPACT:

Decrease State Revenue –

Exceeds \$19,100/FY23-24 and Subsequent Years/Driver Services

Other Fiscal Impact – If the scope of work to the Department of Safety's A-List system required by this and other legislation subsequently enacted exhausts the relevant contract provision, the proposed legislation could result in an increase in state expenditures up to \$40,000 in FY23-24.

Assumptions:

- The cost that this demographic would normally be expected to pay for the various licenses are as follows:
 - License – \$24.50
 - Reinstatement – \$20.00
 - Permit – \$10.50
 - Intermediate – \$2.00
 - Photo ID – \$4.50
- DOS currently issues photo identification cards at no charge to individuals who are in the custody of DCS. According to the DOS, an estimated 470 such cards were issued in 2022. In order to receive a photo ID, they are required to submit an affidavit attesting to the fact that they are in DCS custody. However, that status is not subsequently entered into or tracked in DOS's system.
- It is not known how many such minors have secured any of the relevant licenses or services in the past or how many may do so in the future.
- According to the DCS's annual report, there were 6,221 teenagers in DCS custody aged 13 and over in June of 2022.
- It is assumed that approximately half of those are 16 and older, or 3,111 teenagers (6,221 teenagers x 50%) total.

- It is not known how many of those minors seek to obtain a driver license. It is assumed that the number is relatively low due to barriers to access to an automobile. It is assumed to be 25 percent, or 778 teenagers (3,111 teenagers x 25%)
- The cost for a driver license for these individuals would be \$24.50.
- The proposed legislation eliminates this fee.
- Therefore, the decrease in state revenue to Driver Services is estimated to be \$19,061 (778 teenagers x \$24.50).
- It is assumed that any reinstatements would likely occur after the individuals were aged older than 18 and thus, any decrease in revenue related to reinstatements is assumed to be minimal. The same is true for renewals, which are not processed as renewals specifically, but rather as a new license issuance when the current one expires.
- It is not known how many such individuals will seek a learner's permit or an intermediate license, but it is assumed that there will be an additional small decrease in revenue related to these categories.
- Therefore, the total decrease in state revenue is estimated to exceed \$19,061 in FY23-24 and subsequent years.
- There is an additional \$4.00 fee that some county clerks charge for some of the relevant services. The proposed legislation does not address this fee. Therefore, it is assumed that there will be no decrease in local revenue as a result of this legislation.
- The DOS's A-List system will require updates to accommodate the proposed changes. As provided by the vendor, the estimated cost to perform the system updates is \$40,000. It is assumed that these modifications can be accomplished by the vendor under the current contractual agreement without a need for additional expenditures.
- However, if the scope of work required by this and other legislation subsequently enacted exhausts the relevant contract provision, the proposed legislation could result in an increase in state expenditures up to \$40,000 in FY23-24.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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