



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 796

PRINTERS NO. 2106

PRIME SPONSOR: Gordner

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
Motor License Fund	See "Fiscal Impact"	See "Fiscal Impact"

SUMMARY: Waives the change of address fee for CDL licenses if the address was changed by a government entity; establishes annual registration fees for recreational trailers; eliminates the duplicate registration fee when the applicant prints their own copy of the registration; and extends the waiver of bonding requirement for the at-risk logging and forest industry. This legislation would take effect as follows:

- The addition of section 1902(11) shall take effect in 90 days.
- The addition of section 1902(12), 1920.1 and 1920.2 shall take effect in one year.
- The remainder of this legislation shall take effect in 180 days.

ANALYSIS: Amends Title 75 (Vehicle Code) as follows:

Section 1902 (related to exemptions from other fees) is amended to waive the change of address fee on a commercial driver's license (CDL), including a CDL with a motorcycle endorsement, if an individual's current address has been changed by a government entity.

Section 1902 is also amended to state that no fee shall be charged for a duplicate registration card ordered at the time of an online transaction where the applicant prints the registration credential. PennDOT may still charge the fee for duplicate registration cards processed by PennDOT or a PennDOT agent service in an over-the-counter transaction or by mail.

Section 1920.1 is added to the Vehicle Code to create a tier of recreational trailer registration fees based on weight:

- 8,000 or less = \$12
- 8,001 - 13,000 = \$35
- 13,001 or more = \$90

An optional 5-year registration for recreational trailers with a registered gross weight of 13,000 pounds or less is available upon payment of the applicable fee. The bill also gives owners of recreational trailers with a registered gross weight of 13,001 pounds or more the option to purchase a permanent registration for a one-time payment of \$425 in lieu of the annual fee. This permanent registration may be transferred to another recreational trailer upon a one-time upon payment of the \$9 transfer fee under section 1927 (related to transfer of registration).

Section 1920.2 is added to the Vehicle Code to require PennDOT to develop a registration application form for trailers that includes the new definition of "recreational trailer." An applicant who falsely certifies that a trailer is a recreational trailer commits a misdemeanor of the third degree.

Section 4902 (related to restrictions on use of highway and bridges) is amended to extend the sunset date from December 31, 2018 to December 31, 2023 for the at-risk industry of logging and forest products to receive a waiver from PennDOT for the amount the industry may be responsible for along a bonded road.

Section 4942 is amended to exempt a recreational trailer over 10,000 pounds from having to be registered in combination with its towing vehicle.

FISCAL IMPACT: According to PennDOT, there are approximately 1 million address change requests annually. Of this total, it's estimated that 50,000 (5%) requests involve CDL holders. Assuming 5% to 10% of the CDL address change requests are made due to address changes from a government entity, at a cost of \$29.50 per duplicate CDL, the Motor License Fund (Fund) would see an estimated revenue loss of \$73,750 to \$147,500 annually. It's estimated that the Fund would assume an additional \$12,075 revenue loss from approximately 350 CDL's with a motorcycle endorsement (Class M). Therefore, enactment of this legislation would result in an approximate revenue loss of \$85,825 to \$159,575 to the Fund.

Additionally, PennDOT estimates a cost of \$75,000 to make the necessary systems changes to incorporate the new fee schedule and trailer exemption. PennDOT would still be required to pay approximately \$5,000 to \$10,000 to its photo license vendor, as a CDL card would still need to be produced for each customer despite no cost to the customer. Both of these costs could be absorbed utilizing existing funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: October 16, 2018

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.