

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2184 - SB 2434**

February 24, 2022

**SUMMARY OF BILL:** Establishes and revises numerous requirements governing the circumstances under which a person may be ordered to install and keep an ignition interlock device (device) on a motor vehicle. Establishes and revises numerous requirements governing the compliance of persons so ordered by a court or by statute, and by which such persons may have the device and accompanying restrictions lawfully removed.

Revises the procedures by which the Department of Safety (DOS) is required to administer the ignition interlock program within the department.

Requires DOS to establish a system of licensure for manufacturers, service centers, technicians, and subcontractors who seek to provide compliance-based ignition interlock services. Authorizes DOS to impose an initial application fee of \$250, an annual renewal fee of \$150, and a late renewal fee of \$100. Establishes requirements governing some aspects of the licensure system. Authorizes DOS to promulgate rules to administer the licensure system.

Authorizes a court to order DOS to waive a person's requirement for a device if the court determines, based on criteria established in the proposed legislation, that the person is unable to produce enough breath volume to operate the device. Allows a person to file that order with DOS, along with a \$65 fee, in order to receive the waiver.

**FISCAL IMPACT:**

**Increase State Revenue –**

**\$11,100/FY22-23 and Subsequent Years/Ignition Interlock Fund**

**The Governor's proposed budget for FY22-23, on page B-234, states that three full-time positions will be funded from existing resources. Currently the Ignition Interlock Fund has a balance of \$481,460.**

Assumptions:

- Based on information provided by DOS, the department currently has in place the infrastructure and relationships that constitute a network of device service providers that includes manufacturers, service centers, technicians and subcontractors, as described in the proposed legislation.

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- Currently that network and its relationship to the department are maintained by a system of certificates, rather than system of licensure, as proposed.
- In that respect, the proposed system of licensure represents more of a technical change than a substantive change in operations.
- Per DOS, if a service center or manufacturer has already been approved through a certificate prior to this legislation, the department will consider such entities to be renewing rather than new and will charge \$150.
- In the current system, the various service providers pay an annual fee of \$100 to maintain their certificates, which allow them to lawfully perform the services.
- Under the proposed legislation, the service providers will now pay an annual fee of \$150 to renew a license, which represents a 50% increase in fees owed.
- According to the department, these changes are not estimated to significantly affect the number of service providers in the network. As such, the number of service providers paying annual fees is assumed to remain the same.
- Currently the department receives \$18,000 in annual revenue from fees from service providers.
- That annual revenue is estimated to be \$27,000 ( $\$18,000 \times 150\%$ ) under the new proposed fee structure.
- Therefore, a recurring increase in state revenue to DOS estimated to be \$9,000 ( $\$27,000 - \$18,000$ ) in FY22-23 and subsequent years. That revenue accrues to a designated Ignition Interlock Fund.
- DOS currently charges a late fee for service providers renewing their certificates. It is assumed that late fees will occur at the same rate in the new system of licensure. Therefore, any impact related to late fees is estimated to be not significant.
- According to the department, there will be no significant increase in expenditures resulting from any procedural changes to how the department interacts with and administers the network of service providers.
- The proposed legislation creates a process for persons to receive a medical waiver of the device requirement if they cannot produce enough breath volume for the device to accurately function.
- In order to file for the waiver with DOS, among other requirements, the applicant must submit a \$65 fee to the department.
- Currently in regards to these issues the department receives requests for a breath volume reduction.
- For the past three years, DOS received an average of 33 requests for a breath volume reduction. It is assumed this average will remain constant and that it represents the number of people who will apply for a medical waiver and submit a \$65 fee to the department.
- Therefore, a recurring increase in revenue to DOS related to medial waivers estimated to be \$2,145 ( $33 \text{ applicants} \times \$65$ ) in FY22-23 and subsequent years. This revenue will also accrue to the Ignition Interlock Fund.
- The total increase in state revenue to DOS is estimated to be \$11,145 ( $\$9,000 \text{ service fees} + \$2,145 \text{ medical waivers}$ ) in FY22-23 and subsequent years.

- The proposed changes to the requirements governing the circumstances under which a person may be ordered to install and keep a device on a motor vehicle are not estimated to significantly affect the total number of devices required to be used.
- However, they will require updates to the department's A-List driver license system.
- The work required for the A-List system by the relevant vendor can be accomplished within the ongoing maintenance and support provisions of the current contract.
- According to DOS, the current balance of the Ignition Interlock Fund is \$481,460.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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