STATEMENT OF PURPOSE

RS30829 / H0414

This legislation has three parts:

- 1. It allows a commercial driver's license (CDL) to be renewed for 8 years; currently CDL driver's may only obtain 4-year licenses. The 8-year renewal confers a broad benefit to the Idaho trucking industry.
- 2. It reduces online renewal fees by five dollars. All license renewal fees are set in statute. Allowing an online discount encourages people to skip the trip and fulfills customer demand for efficient renewal options at a lower cost.
- 3. It sets up a Drug and Alcohol Clearinghouse check for CDL licenses. Federal statute requires the Idaho Transportation Department(ITD) to check the federal drug and alcohol clearinghouse prior to completing any CDL transaction. The clearing house check process must be in place by November 18, 2024.

FISCAL NOTE

ITD estimates that the cost to the State Highway Account(SHA) for the 8-year issuance of CDLs will amount to approximately \$100,000, annually. ITD estimates an initial cost to the Highway Distribution Account(HDA) for the \$5 discount to be approximately \$230,000 for FY 25. However, the increase in traffic online is estimated to cause a net revenue increase to the HDA of approximately \$111,000 in FY 26 and \$355,000 in FY 27. By FY 28, ITD estimates the changes in this bill to create ongoing annual net revenue to the HDA of \$355,000, an annual loss in revenue of \$100,000 to the SHA, and an annual savings to citizens of \$900,000. The Sheriff DMV offices receive a portion of the fees for the transactions they complete. Incentivizing online renewals will result in fewer Sheriff DMV transactions and a reduction in revenue. The revenue loss is estimated to be \$1,171,000 annually by FY 27. The revenue loss is offset by the reduction in transactions for a net zero impact.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).