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Fiscal Note

2021-2022 Legislative Session

HF103 - 0 - Repeal Driver Licensing Rqmnts Related to Diabetes

Chief Author: **Jim Davnie**
 Committee: **Transportation Finance and Policy**
 Date Completed: **1/25/2021 3:45:30 PM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Restrict Misc. Special Revenue	73	(20)	(20)	(20)	(20)	(20)
Total	73	(20)	(20)	(20)	(20)	(20)
Biennial Total			(40)			(40)

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 1/25/2021 3:45:30 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Restrict Misc. Special Revenue	73	(20)	(20)	(20)	(20)	(20)
Total		73	(20)	(20)	(20)	(20)
		Biennial Total			(40)	(40)
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc. Special Revenue	73	(20)	(20)	(20)	(20)	(20)
Total		73	(20)	(20)	(20)	(20)
		Biennial Total			(40)	(40)
2 - Revenues, Transfers In*						
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total		-	-	-	-	-
		Biennial Total			-	-

Bill Description

Bill for an act related to driver's licenses; repealing certain driver licensing requirements related to diabetes mellitus.

Assumptions

Assume that the department will make amendments to administrative rules part 7414.1490 to conform to the repeal of 7410.2610, Insulin-Treated Diabetes Mellitus. Assume that the amendment will consist of repealing 7414.1490 as this administrative rule is specific to commercial license holders for school bus endorsement holders. Assume that commercial licensing will continue to fall under federal authority and will follow the process as outlined by Federal Motor Carrier Safety Administration (FMCSA); assume that FMCSA no longer issues diabetic federal waivers and must meet medical qualifications to obtain a medical certificate as required for commercial license holders.

Assume that the department will be able to use expedited rulemaking as authorized by this act. Assume that the cost to expedite small-sized rulemaking will cost approximately \$27,380:

- \$24,000 for division staff time
- \$1,700 Office of Administrative Hearing cost
- \$1,680 State Register cost

Assume the cost of small-sized rulemaking will cost approximately \$21,574:

- Programming staff cost is absorbed
- \$12,000 for rules staff
- \$3,900 for clerical support
- \$1,310 legal fees from the Office of Attorney General
- \$1,750 in Admin Law Judge time and filing fee
- \$204 for request for comments from the State Register
- \$1,020 for notice of intent to adopt rules, \$20 for notice of adoption
- \$1,370 for cost of mailings, duplicating and transcripts

Total cost to expedite rulemaking and small-sized rulemaking amendment of 7414.1490 = \$48,956

Assume that based on calendar year 2019, 39,139 diabetic forms were submitted. Assume that the department will no longer send out notifications of diabetic forms being required, this will save the department approximately \$19,960.89 annually starting in FY22 in postage (39,139 forms x \$0.51/envelope for metered mail = \$19,960.89).

Assume that this will free up approximately 17 full-time employees who process diabetic forms, who perform this work as up to 5% of their daily tasks. This will allow those individuals to process other documents and forms for citizens.

Assume that 3 weeks of programming would be required to implement the changes at a cost of \$8,000 per week (\$200/hour x 40 hours/week) for a total programming cost of \$24,000 (\$8,000 x 3 weeks = \$24,000). Assume that funding will be provided in FY21 in order to meet the effective date.

Assume that the effective date is July 1, 2021.

Expenditure and/or Revenue Formula

FY 2021 expenditures

Special Revenue Fund:

Driver Services Operating Account = \$48,956 one-time cost
Driver and Vehicle Services Technology Account = \$24,000 one-time cost

Total FY 2021 Special Revenue Fund expenditures (combination of Driver Service Operating Account and DVS Technology Account) = \$72,956

FY 2022 and beyond expenditures

Special Revenue Fund:

Driver Services Operating Account = (\$19,960.89) each year

Long-Term Fiscal Considerations

The department does not take administrative action related to diabetes unless the driver had a loss of consciousness incident and must be withdrawn for a set period of time, by repealing 7414.2610 the department would have no mechanism to keep unsafe operators from driving and putting lives in danger on our roadways.

Local Fiscal Impact

References/Sources

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