



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1118

PRINTER'S NO. 1941

PRIME SPONSOR: Stefano

As Amended by A05946

COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	See Fiscal Impact	See Fiscal Impact
Motor License Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: SB1118 PN 1941 provides a community service alternative to satisfy fines and fees related to driver's license suspensions. This legislation would take effect in 18 months upon enactment.

ANALYSIS: This legislation amends Title 42 (Judiciary and Judicial Procedure) Section 1520 (Adjudication alternative program) to permit a magisterial district judge to place an individual charged with offense under Title 75 (Vehicles) into an appropriate adjudication alternative program.

The legislation amends Title 75 (Vehicles) Section 1533 to remove the section which requires the department to suspend the operating privilege of any person who fails successfully complete a program of community service. The legislation also inserts section A.1, which provides for exceptions when an individual is unable to pay fines, costs, or restitution. The section states that prior to suspending the operating privilege of a person, the issuing authority or court shall proceed under Title 42 (Judiciary and Judicial Procedure) Section 9730 and that an individual may not have their operating privilege suspended solely for a failure to pay a fine unless the court determines that the person is able to pay the fine. The section additionally clarifies that neither the issuing authority nor the court may waive or reduce costs imposed under the Crime Victims Act (Act 111 of 1998). If an individual's operating privileges are suspended, the legislation outlines the actions that can be taken to end the suspension. These actions include entering a program of community service approved by the issuing authority or court in lieu of payment of fines.

Section 1543.1 of Title 75 (Vehicles) provides for the offenses that an individual commits if they drive a motor vehicle on any highway when their license is suspended under Section 1532(b)(2) or 1533. Upon conviction, the person shall be sentenced to pay a fine of \$50. Any person who drives a motor vehicle after a second or subsequent suspension is guilty of a summary offense and upon conviction will be required to pay a \$200 and/or complete a community service program.

Section 1557 of Title 75 (Vehicles) allows the PennDOT to restore the operating privileges of individuals for certain specified suspensions. The section specifies the suspensions that are eligible for this relief, identifies the duties of the department, and identifies the criteria that an individual must meet to be considered eligible.

Section 1960 of Title 75 (Vehicles) provides criteria for waiving the \$70 or \$88 that the department charges for the reinstatement of operating privilege or vehicle registration. Specifically, the department must waive the fee for an individual who enters a program of community service, makes an agreement for installment payments, or is found unable to pay the fine.

FISCAL IMPACT: The enactment of this legislation would have a fiscal impact on commonwealth funds, specifically the General Fund and the Motor License Fund. The fiscal impact is related to the Department of Transportation (PennDOT) and the Administrative Offices of Pennsylvania Courts (AOPC).

According to PennDOT, changes associated with ending and rescinding suspensions and restoring driving privileges under Section 1543 (Driving while operating privilege is suspended or revoked) due to indefinitely suspended driving privileges under Section 1532(b) (Suspension of operating privilege) or Section 1533(a), (b), or (d) (Suspension of operating privilege for failure to respond to citation) would require computer system updates, the hiring of permanent and three temporary Clerk 3 positions and notifying individuals of their eligibility for relief. Those costs would be realized within the Motor License Fund and would be as follows:

- Computer System Updates (one time) - \$550,000
- Hiring three temporary Clerk 3 positions (first year cost) - \$271,000
- Hiring one permanent Clerk 3 position (second year on) - \$82,200
- Notifying eligible individuals (ongoing) - \$21,400

Furthermore, Section 1533(a), (b), and (d) waives restoration fees for individuals which would impact General Fund collections and PennDOT estimates that such reduction would be about \$12.4 million per fiscal year.

Data from the Administrative Offices of Pennsylvania Courts show that, for an average of the last four fiscal years (2018/19 to 2021/22), total disbursements for violations of Title 75 (Vehicles) Section 1501 (relating to drivers required to be licensed) and Section 1543 (relating to driving while operating privilege is suspended or revoked) were \$10.371 million. From this total, an average of \$6.8 million went to the commonwealth. The total does not include data from Philadelphia County. The legislation provides that a Magisterial District Judge may sentence an individual to an adjudication alternative program in lieu of paying these fees, but it does not mandate it. Therefore, the reduction in collections of penalties/fees that would otherwise be collected by the Commonwealth, and realized within the General Fund, would be a function of how many individuals are both eligible for the alternative program and are sentenced to it by a judge. Because data is not currently available on what percentage of individuals would be sentenced to the alternative program, we cannot determine how much revenue would be lost to the state. Further, to offset this loss, the legislation establishes new fines. The revenue that would be generated by these fines is also indeterminate at this time.

PREPARED BY: Bradley Keen, Ph.D. and Gueorgui Tochev, Senior Budget Analysts
House Appropriations Committee (D)

DATE: October 8, 2024

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