



# OFFICE OF MANAGEMENT & BUDGET

## State Budget Office

One Capitol Hill  
Providence, RI 02908-5890

Office: (401) 222-6300  
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State Fiscal Note for Bill Number:

2024-H 7125

*Date of State Budget Office Approval:* Monday, February 5, 2024

*Date Requested:* Wednesday, January 10, 2024

*Date Due:* Saturday, January 20, 2024

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2024	N/A	FY2024	N/A
FY 2025	\$36,000	FY2025	\$(2,736,000)
FY 2026	\$36,000	FY2026	\$(2,736,000)
*		**	

*Explanation by State Budget Office:*

This bill would eliminate the fee that individuals must currently pay to have their drivers licenses reinstated after suspension or revocation. The current fees are \$150, unless the suspension or revocation was for driving-under-the-influence offense, in which cases the fee is \$350.

*Summary of Facts and Assumptions:*

The bill is effective upon passage. The Office of Revenue Analysis (ORA) assumes the bill would be implemented on July 1, 2024. The fees collected under this section are deposited into the general fund using account line sequence 4060997 – “Drivers License Reinst. And Assess. Fees.” The Budget Office’s current FY 2025 estimate for this account is \$2,700,000, which is consistent with the five-year average of historical receipts. There is no notable trend away from this average, so the outyear estimates are held constant. DMV assesses a technology fee of \$2.50 per transaction, which is a restricted receipt. DMV estimates that the elimination of reinstatement fees would result in a restricted receipt revenue loss of \$36,000 annually, based on an average of 14,400 transactions annually. The technology fee provides maintenance and support for DMV’s Rhode Island Motor Vehicle System (RIMS). However, restricted receipt revenues are not sufficient to cover the full annual maintenance and support costs, and as a result general revenues cover the remaining portion. Accordingly, the reduction in restricted receipt revenue from this bill would require an additional \$36,000 in general revenues for RIMS maintenance costs.

*Comments on Sources of Funds:*

The \$150 and \$350 driver license reinstatement fees are general revenue departmental receipts. The \$2.50 per transaction technology fee is a restricted receipt.

*Summary of Fiscal Impact:*

FY 2024: Not applicable due to the assumed implementation date of the bill.

FY 2025: A general revenue loss of \$2,700,000, a restricted receipt revenue loss of \$36,000, and a general revenue expenditure increase of \$36,000 are forecast.



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FY 2026: A general revenue loss of \$2,700,000, a restricted receipt revenue loss of \$36,000, and a general revenue expenditure increase of \$36,000 are forecast.

Budget Office Signature:  Digitally signed by Joseph Codega Jr.  
Date: 2024.02.16 14:41:34 -05'00'

Fiscal Advisor Signature: 