

Fiscal Estimate Narratives
DOT 3/25/02

LRB Number 01-2806/2	Introduction Number AB-901	Estimate Type Original
Subject		
Reportable accident property damage threshold		

Assumptions Used in Arriving at Fiscal Estimate

Conclusion:

DOT/DMV: Salary and fringe of \$90,050 for 2.5 FTE to process accident reports and SR cases. Supplies and Services \$17,000 minimum for revised forms.

DOT/DSP Indeterminate increase in FTE to respond and complete accident reports.

Local: Indeterminate increase in law enforcement staff and associated support staff to respond and complete accident reports.

Basis for Conclusion/Assumptions

1. The threshold for reportable property damage accidents was raised from \$500 to \$1000 beginning January 1996, mainly because of inflationary factors affecting the cost of damage repair. [As reported by AAA, 20 states have thresholds of \$1000 or more, including Minnesota and Iowa. Hawaii has the highest at \$3000.]

2. The threshold change was probably a key factor in the "reduction" of reportable property damage accidents in the following years: (2001 data are not final)

1995-120,182 (threshold was \$500)

1996-103,315 (threshold raised to \$1000.)

1997- 97,742

1998- 93,483

1999- 99,688

2000-107,171

3. The average reduction in property damage accident reports from 1995 to 2000 was 17%.

4. With the reduction in threshold reporting level, DOT workload will increase by 17% because more accidents will be required to be reported. $17\% \times 100,171 = 17,029$. The time to process an accident report is 9.3 minutes. $9.3 \times 17,029 = 2,640$ hours or about 1.5 FTE @ 1,725 hours per production FTE @ \$33,700 salary and fringe. (TCR2)

5. Based on 2000 data there were 11,364 Safety Responsibility Law cases, and about 10% of the additional reportable accidents result in an SR case. $10\% \times 11,364 = 1,136$ cases. The time to process SR case is 85.9 minutes. $85.9 \times 1,136 = 1,626$ hours or about 1 FTE @ \$39,500. (TCR4)

6. In addition to staff need, forms, brochures, and the Law Enforcement Officer's Instruction Manual will need revision. Minimally the cost is \$17,000 for the Officer's Manual.

7. At this time no DP development is estimated.

8. The cost to locals is indeterminate but will likely require staff increases (17% or more) because of the increase in the number of reportable property damage accidents. [If an Agency cannot respond to a non-injury property damage accident, the parties are instructed to complete an MV4002 Driver Report of Accident. There will be an indeterminate increase in the number of Driver Reports of Accidents also.]

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Reportable accident property damage threshold			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$90,050	
(FTE Position Changes)		(2.5 FTE)	
State Operations - Other Costs		17,000	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$107,050	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S		107,050	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$107,050	\$indeterminate
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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