

Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: July 1, 2013

SUBJECT: Fiscal Impact Statement - "Older Adult Driver Safety Amendment Act of 2013"

REFERENCE: Bill 20-177, Draft Committee Print shared with the Office of Revenue Analysis on June 21, 2013

Conclusion

Funds are sufficient in the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill.

Background

Current law identifies an older adult driver as one 55 years of age or older. The Department of Motor Vehicles (DMV) works with service providers to offer older drivers an eight hour driver's safety course, which upon receiving a completion certificate, can be used to receive discounts on motor vehicle insurance.

The bill reduces the age of an older driver from 55 years of age and older to 50 years of age and older. The bill also amends the course characteristics to ensure a course offers at least six hours of instruction for the initial course and four for a renewal course. An online course can also be taken as long as the level of instruction is equal to or greater than the classroom course.

Finally, the bill requires insurance companies to offer discounts to drivers aged 50 years and older if they participate in one of the safety courses.

Financial Plan Impact

Funds are sufficient in the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill. DMV currently works with driver's safety course providers for eight hour course options and four hour renewal course options. The current courses meet the bill's requirements,

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but DMV will work with providers to identify a six hour course. There are no other fiscal implications for the District of reducing the definition of a senior driver from 55 years of age to 50 years of age and older.

Dropping the requirement to offer discounts on motor vehicle insurance from drivers aged 55 years and older to 50 years and older for those drivers who take a safety course will have a negligible impact on private insurance companies and the District's insurance premium tax.