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



Fitzroy Lee

Interim Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Fitzroy Lee

Interim Chief Financial Officer

DATE: October 21, 2021

SUBJECT: Fiscal Impact Statement - Motor Vehicle Accident Prevention

Amendment Act of 2021

REFERENCE: Bill 24-111, Draft Committee Print as provided to the Office of Revenue

Analysis on October 5, 2021

Conclusion

Funds are sufficient in the fiscal year 2022 through fiscal year 2025 budget and financial plan to implement the bill.

Background

The Department of Motor Vehicles (DMV) approved two online accident prevention courses for residents who are interested in refreshing their driving knowledge and skills or are encouraged by family members to ensure the resident can still safely operate a motor vehicle. Residents aged 50 years or older who complete one of these courses can also get a discount on their motor vehicle insurance premiums for up to two years. Driver's must retake the course every two years to maintain the discount.¹

The bill requires DMV to make the course available to all registered drivers and to ensure that the course content is consistent with the District's Vision Zero Initiative. The bill also requires insurance companies to grant all resident drivers who complete the approved course a discount on their insurance premiums for up to two years.

¹ Senior Citizen Motor Vehicle Accident Prevention Course Certification Act of 1983, effective February 9, 1984 (D.C. Law 5-46; D.C. Official Code § 50-2001).

The Honorable Phil Mendelson FIS: Bill 24-111, "Motor Vehicle Accident Prevention Amendment Act of 2021," Draft Committee Print as provided to the Office of Revenue Analysis on October 5, 2021

Financial Plan Impact

Funds are sufficient in the fiscal year 2022 through fiscal year 2025 budget and financial plan to implement the bill. Residents who elect to take the accident prevention course pay the cost of the course, which is approximately \$30. Upon receipt of a completion certification, those residents can receive a two-year discount on their motor vehicle insurance premiums. DMV will work with the course providers to create courses or ensure their content includes information on the District's Vision Zero Initiative. DMV can absorb any costs associated with the bill's implementation within its existing budgeted resources. The Department of Insurance, Securities and Banking can also absorb any costs associated with working with insurance companies on the expanded discount requirement within its existing budgeted resources.