

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.: SB 592
Version: ENGR
Request Number:
Author: Rep. Dustin (R)
Date: 4/17/2017
Impact: Transfers duties related to intrastate transport from Corporation Commission to Dept. of Public Safety.
Corp Com: estimated one-time expense of \$7,962,440 and a reoccurring cost of \$19,744,532 annually for DPS as well as an IT investment loss of \$1,443,918 for Corp Com

Research Analysis

SB 592 transfers the responsibility of regulating the “Household Goods Act of 2009” and the regulation of intrastate transportation by motor carriers of household goods from the Oklahoma Corporation Commission to the Oklahoma Department of Public Safety.

Prepared By: Brad Wolgamott

Fiscal Analysis

The ENGR version of SB 592 which transfers all the duties of the Motor Carrier and Weigh Station Enforcement from the Corporation Commission to DPS is expected to have a significant fiscal impact on both agencies.

Corp Com has provided a list below of costs that will be transferred to DPS. It expects a one-time FY-18 cost for DPS of \$7,962,440 and reoccurring costs to DPS of \$19,744,532. Additionally, Corp Com estimates an IT investment loss of \$1,433,918 due to the fact the agency is in the midst of implementing STAR (a new agency-wide case processing system) which cannot be transferred to DPS.

SB 592 FISCAL IMPACT OF MOVING TRANSPORTATION PROGRAM TO DPS	ONE-TIME EXPENSES	RECURRING COSTS
LOCATION MOVE - OFFICE AND IT		
<i>Building Move Using Existing Office Equipment- 58 FTE and 3 temporary employees estimated</i>		
Building Space Lease - Based on OMES Leasing Office Space Request		\$ 90,000
-Approximately 10,000 sq/ft @ \$9 per sq ft per year according to OMES ceiling		
-Currently Transportation is not paying lease at Jim Thorpe Building		
Office furniture- 40 offices	\$ 10,110	
Cubicles- 39 cubicles	\$ 8,125	
Times two file cabinet- 7 units	\$ 3,200	
<i>IT Move- Estimates provided by OMES-ISD</i>		
Computer/equipment move from Jim Thorpe to new building- \$500/unit	\$ 30,500	
Completion of IRP modification & clearinghouse project	\$ 189,000	
Completion of IFTA system & clearinghouse	\$ 350,000	
Asset Transfer of computers-OCC to DPS- 226 units	\$ 455,030	
Asset Transfer - Scanners, Cell Phones-OCC to DPS	\$ 48,375	
Sub-Total Location Move - Office and IT	\$ 1,094,340	\$ 90,000

ADDITIONAL EQUIPMENT AND IT NEEDS			
Enforcement Equipment- 96 FTE estimated			
Uniforms- \$870 per officer		\$	83,520
Ballistic Vest- \$900 per officer		\$	86,400
Cars, decal change- 65 units/\$125 per unit		\$	8,125
IT Needs- Estimates provided by OMES-ISD (Expenses are not included in budgeted amounts below)			
Case Management System and Transportation Database		\$	3,400,000
Operational support for IFTA & IFTA/CH			\$ 80,700
Operational support for IRP & IRP/CH			\$ 177,350
Operational support for TR Forms and Trans Service			\$ 31,200
Contract Development support for Transportation DB			\$ 40,000
OMES Development support for IFTA/IRP/CH			\$ 168,000
TR Database license			\$ 66,000
Scanner Maintenance			\$ 23,100
Printer Services			\$ 6,150
State Office Circuit Costs			\$ 19,200
Sub-Total Additional Equipment and IT Needs		\$	3,578,045
		\$	611,700
TRANSPORTATION OPERATIONAL BUDGET			
FY17 Program Budget- Including Indirect Costs- See attached detail			\$ 19,042,832
Enforcement Officers Classification Breakdown- Based on FY17 Budget			
Motor Carrier Enforcement Officers - 64 Full, 8 Partial*	Motor Vehicle Enforcement Officers - 32 Full, 4 Partial*		
Salary Range/Number of Full FTE/Number of Partial FTE	Salary Range/Number of Full FTE/Number of Partial FTE		
MCEO A/ \$41,277 / 3 / 0	MVEO A/ \$37,545 / 3 / 0		
MCEO B/ \$46,178 / 38 / 6	MVEO B/ \$37-545-\$41,277 / 26 / 4		
MCEO C/ \$53,002 / 16 / 2	MVEO C/ \$45,118 / 3 / 0		
MCEO D/ \$59,213-\$62,213 / 7 / 0			
*In the FY17 budget, 12 officer positions were funded only for a partial year because officers to be assigned to the Love County Port of Entry upon its completion (expected by the end of FY17) would be hired and trained after the start of FY17 and, therefore, would not require funding for the entire fiscal year. For FY18, those positions partially funded in FY17 will need to be funded for the entire year, increasing the program budget and the required program subsidy (see below). More officers, in addition to those 12, are needed to fully staff the ports of entry.			
Sub-Total Transportation Operational Budget		\$	-
		\$	19,042,832
OCC PROGRAM SUPPLEMENT			
Additional Funding Required to Support Transportation Program - In addition to revenue collections and		\$	3,290,055
-Program revenue and general revenue fund appropriations are not sufficient to fund Transportation's program			
-Agency uses other non-appropriated revolving funds to support program- DPS would have to identify funding source			
-Amount will fluctuate based on yearly revenue collections and appropriation cuts			
Sub-Total OCC Program Supplement		\$	3,290,055
		\$	-
TOTAL COSTS OF MOVING TRANSPORTATION PROGRAM		\$	7,962,440
		\$	19,744,532
LOSS OF IT INVESTMENT			
STAR- OCC is in the process of implementing STAR, an agency-wide case processing system. For Transportation, the STAR system was designed to replace the antiquated Oracle-based Transportation database, which along with the current case processing system, is used to process all motor carrier citations. Because STAR will be the main agency system for the OCC Court Clerk's office and the other three program areas, it cannot be transferred. The time and money spent on the Transportation-related aspects of STAR will be a lost investment.			
System Cost			
Transportation's Portion of system cost already paid			\$ 893,244
Staff Time			
Contract Labor- Estimated through June 30, 2017			\$ 40,161
Transportation Staff Labor- Already invested- 9,619 hours			\$ 416,310
Finance Labor- Transportation Related- Already invested- 2,496 hours			\$ 84,203
Total Loss of IT Investment		\$	-
		\$	1,433,918
TOTAL FISCAL IMPACT FOR SB 592 MOVING TRANSPORTATION PROGRAM		ONE-TIME EXPENSES	RECURRING COSTS
FROM OCC TO DPS (SB 591 impact provided separately)		\$ 7,962,440	\$ 19,744,532
		\$	1,433,918

Prepared By: Kristina King & Jenny Mobley

Other Considerations

None.

