NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 723 (Fifth Edition)

SHORT TITLE: Dark Window Inspection Fee

SPONSOR(S): Representative Verla Insko

FISCAL IMPACT

Yes (X) No () No Estimate Available ()

<u>FY 2000-01</u> <u>FY 2001-02</u> <u>FY 2002-03</u> <u>FY 2003-04</u> <u>FY 2004-05</u>

REVENUES

Highway Fund

DMV – Medical Permit Fees \$500 \$500 \$500

EXPENDITURES

Highway Fund

DMV \$17,200

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Department of Transportation – Division of Motor Vehicles (DMV)

Department of Health and Human Services

EFFECTIVE DATE: This act is effective July 1, 2001.

BILL SUMMARY:

The act allows persons with photosensitive medical conditions, such as systemic lupus erythematosus, to obtain medical exceptions from the window tinting law. To receive a medical exception permit, a person must complete an application with the Division of Motor Vehicles, pay a \$5 application fee, and obtain a doctor's written statement about the photosensitive medical condition that warrants darker window tinting. The medical exception permit is renewed every five years and must be accompanied by a medical recertification. A person may receive no more than two medical exception permits.

BACKGROUND:

Lupus is a chronic, autoimmune disease that causes inflammation of the joints, skin, blood, kidneys and other organ systems. (Autoimmune means the body's immune system mistakenly attacks healthy tissues.) Lupus patients are 90% female who began having symptoms of the

disease in their early twenties and thirties. Forty to sixty percent of systemic lupus patients, the most severe form of the disease, are photosensitive. The sun's UV rays cause the skin of a systemic lupus patient to become red, inflamed and develop a rash.

ASSUMPTIONS AND METHODOLOGY:

REVENUE

The Lupus Foundation of America estimates that 1 out of every 185 Americans has some form of Lupus. Using the North Carolina population age 18 and older of 5,720,050 in 1998, there are 30,919 Lupus sufferers of driving age in the state. Information from the Colorado HealthNet indicates that approximately 30 percent of Lupus sufferers have photosensitivity as a symptom. Based on this figure, there would be an estimated 9,300 persons in North Carolina eligible for the medical exception permit due to Lupus. No information is available on the potential number of persons suffering from other photosensitive medical conditions, but it is expected that Lupus is the most prevalent photosensitive medical condition in the State.

Although there are potentially 9,300 persons eligible for a medical exception permit, data from a 1998 survey conducted by Dr. Laurel Broadhurst in the Department of Health and Human Services suggest only a fraction of this population will apply for the permit. Dr. Broadhurst contacted window-tinting programs in several states, as well as local doctors and national organizations that treat Lupus and other photosensitive diseases. Georgia, a state with a population only 100,000 greater than NC, reported only 120 to 180 permits issued each year. In Pennsylvania, with population 60% larger than NC, Dr. Broadhurst found that only 634 drivers had applied for a medical exemption since 1991. Given this anecdotal data, the Division of Medical Evaluation in the Department of Health and Human Services estimated that only 100 persons per year would apply for this permit. At \$5 per permit, this bill raises \$500 in revenue for the Highway Fund each year.

NOTE: Inspection stations will no longer inspect the window tinting of Lupus patients each year and will lose the \$10 inspection fee they now receive on these vehicles.

EXPENDITURE

There will be a one-time cost to reprogram the State Title and Registration System (STARS) for the new medical exception permit. For other recently mandated changes in the STARS system, DMV requested \$17,200 for 160 hours of software development. The Governor's Recommended Changes to the 2000-2001 State Budget includes a \$3.3 million reserve for "continual maintenance and functional modifications" to the STARS system and other DMV computer programs. If the reserve is approved, the programming costs required for this bill could be funded from this source.

FISCAL RESEARCH DIVISION 733-4910

PREPARED BY: Richard Bostic

APPROVED BY: James D. Johnson

DATE: May 19, 2000

Official
Fiscal Research Division
Publication

Signed Copy Located in the NCGA Principal Clerk's Offices