

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 147** HLS 21RS 286

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 25, 2021	2:36 PM	Author: HORTON
Dept./Agy.: Public Safety Services, Office of Motor Vehicles		Analyst: Patrice Thomas
Subject: Increase Fees Charged by Public Tag Agents		

MOTOR VEHICLES

EG GF EX See Note

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Provides relative to charges collected by public license tag agents

Proposed law changes references in present law regarding public tag agent offices (PTAs) from "convenience fees" to "convenience charges." Proposed law increases PTA convenience charge maximums for certain services by \$5, from \$18 to \$23 (except for motor carriers, which shall retain an \$18 maximum). Proposed law requires the OMV to promulgate rules to conform with the provisions of the proposed law.

EXPENDITURES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law does not have a direct material effect on governmental expenditures. However, the maximum convenience charge increase of \$5 for public tag agents (PTAs) in the proposed law from \$18 (current fee) to \$23 (proposed fee), may potentially alter consumer behavior by driving some consumers from PTAs to the local Office of Motor Vehicles (OMV) offices for services; thereby representing an indirect cost associated with the proposed law. Such a shift cannot be predicted but is possible. *It is uncertain if the \$5 increase will affect consumer behavior to the degree that it will drive a significant number of consumers from PTAs to OMV-managed offices for services. To the extent a significant number of consumers seek services at OMV locations statewide in lieu of PTAs, OMV may require additional resources presumed to be SGF and/or SGR, as well as personnel to accommodate the increased workload. The extent to which this may occur, as well as the associated increased need for state resources, is indeterminable.*

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The increased convenience charges outlined in the proposed law will accrue to and retained by privately-held public tag agent offices.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

Alan M. Boxberger
Staff Director