

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 581** HLS 15RS 1308
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 13, 2015	8:56 AM	Author: ARMES
Dept./Agy.: Motor Vehicles		Analyst: Matthew LaBruyere
Subject: Utility Terrain Vehicles		

MOTOR VEHICLES RE INCREASE SG RV See Note Page 1 of 1
 Authorizes the use of "utility terrain vehicles" on certain roads.

Proposed law further requires registration of a utility terrain vehicle with the office of motor vehicles (OMV) as an off-road vehicle and requires display of a decal issued by the OMV. Proposed law prohibits operation by an unlicensed driver and requires appropriate liability insurance. Proposed law prohibits the operation of UTVs on public roads, except as follows: 1) the operation of UTVs on parish and municipal roads if designated by a parish or municipal government & 2) UTVs used to cross public roads where the posted speed exceeds 35 mph. Proposed law allows the Dept. of Transportation and Development or parish or municipal governments to prohibit the operation of utility terrain vehicles on roads under their jurisdictions. Proposed law defines a "utility terrain vehicle". Proposed law requires certain minimum safety equipment on utility terrain vehicles operating on the roadways and streets including signal lights, tail lights, break lights, reflectors, exterior mirrors, an adequate windshield, wipers, a speedometer, an odometer, brakes for each wheel, seat belts, and a vehicle identification or serial number.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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>	\$0
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable increase in self-generated revenue expenditures for supplies associated with registering utility terrain vehicles. The proposed legislation notes that a decal will be issued by the Office of Motor Vehicles (OMV) upon registration of the utility terrain vehicle. OMV has indicated the cost for each decal is \$0.07. Since the exact number of utility terrain vehicles that will register is unknown, the number of decals that will be purchased by OMV is indeterminable.

The Department of Public Safety indicates the proposed law may require approximately 100 hours of overtime for the Office of Technology Services at an average cost of \$32 per hour (\$32 x 100 = \$3,200) plus associated Medicare expenses (\$3,200 x 1.45% = \$46), or a total of \$3,246 in personal services. The legislation will require changes to the Vehicle Registration System and programming changes to report insurance policy information to the Drivers Management System. The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the Department may require additional resources.

The proposed legislation may result in an increase in local fund expenditures as a result posting signage on parish roads or municipal streets to indicate that a golf cart may be operated on that designated road or street. The exact cost is indeterminable since it is unknown what the signage would cost for each parish or municipality and how many roads would be designated for golf cart use.

REVENUE EXPLANATION

The proposed legislation will result in an increase in self-generated revenue as a result of utility terrain vehicles registering with the Office of Motor Vehicles. The exact increase is indeterminable since it is unknown how many vehicles will register with OMV and how many utility terrain vehicles exist in the state. For each utility terrain vehicle that is registered, the Office of Motor Vehicles would collect \$36.50 (\$10 registration fee + \$18.50 title fee + \$8 handling fee) every four years. To the extent an owner of a utility terrain vehicle has already paid a title and handling fee, the cost of registration would be \$10.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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