

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 687** HLS 17RS 2582

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.: **HB 606**

Date: June 4, 2017	5:08 PM	Author: HAVARD
Dept./Agy.: Dept. of Public Safety, Office of Motor Vehicles		Analyst: Zachary Rau
Subject: Terms of Contracts with Public Tag Agents		

MOTOR VEHICLES

RE1 SEE FISC NOTE SG EX See Note

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Clarifies contract requirements relative to public license tag agents

Proposed law requires the Dept. of Public Safety, Office of Motor Vehicles to provide contract renewal information online to PTAs at least 90 days prior to the expiration of the contract. Proposed law further provides that PTAs must return renewal documentation no less than 30 days prior to expiration of the contract. Proposed law requires the Dept. of Public Safety, Office of Motor Vehicles (OMV) to cite causes for non-renewal outlined in present law. Proposed law provides for automatic renewal of the contract for two years, subject to the payment of the renewal fee and surety bond provisions in present law, if renewal OMV does not comply with proposed law. Proposed law allows for the expiration of contracts with PTAs if PTAs do not comply with provisions of present and proposed law. Proposed law requires the OMV to promulgate rules to conform with the provisions of proposed law. Present law allows OMV to suspend, revoke, cancel, or impose restrictions on PTAs under contract. Proposed law states that OMV must notify PTAs in writing that it is not authorized to operate for it to be considered a cause for suspension, revocation, cancellation, or restriction. Proposed law adds new causes for penalty for PTAs. Proposed law removes provision of present law prohibiting a stay of OMV action regarding a cause for penalty in the event a PTA requests an administrative hearing. Proposed law only applies to contracts executed after the effective date of proposed law.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
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

Provisions of proposed law concerning OMV promulgating rules, as well as mailing and posting notices of renewal/non-renewal of contracts with public tag agents online may increase SGR expenditures by a marginal amount. The Legislative Fiscal Office assumes that the marginal administrative expenditure increase can be absorbed using existing resources and budget authority.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

Evan Brasseaux

Evan Brasseaux
Staff Director