

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1123** HLS 14RS 1483

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.: **w/ PROP HSE COMM AMD**

Sub. Bill For.:

Date: April 21, 2014	4:31 PM	Author: ST. GERMAIN
Dept./Agy.: Public Safety		Analyst: Matthew LaBruyere
Subject: Registration Fees		

MTR VEHICLE/REGISTRATION
Increases the truck registration fee

OR +\$950,000 SD RV See Note

Page 1 of 1

Proposed law with proposed House Committee Amendments increases the registration fees for trucks with trailers or semi-trailers based on truck weights of 80,001 to 88,000 lbs.

Proposed law with proposed House Committee Amendments dedicates the increase in registration fees to the Transportation Trust Fund.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	\$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>	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$4,750,000
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	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$4,750,000

EXPENDITURE EXPLANATION

The Department of Public Safety (DPS) indicates the proposed law may require approximately 60 hours of overtime for updating the Vehicle Registration and Financial Accounting systems for truck registration fees at an average cost of \$32 per hour (\$32 x 60 = \$1,920) plus associated Medicare expenses (\$1,920 x 1.45% = \$28), or a total of \$1,948 in personal services. Additional IT work associated with this particular legislation will be incremental in nature, and the Department will 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.

REVENUE EXPLANATION

The proposed legislation will result in an increase in statutorily dedicated Transportation Trust Fund revenue by approximately \$0.95 M as a result of increasing the truck registration fee for trucks used in combination with trailers or semitrailers weighing between 80,001 lbs and 88,000 lbs. The proposed legislation increases the current fee of \$0.64/100 lbs. to \$1.32/100 lbs., an increase of \$0.68/100 lbs. The increase of \$0.68 will be deposited into the Transportation Trust Fund. Total collections based on the current fee structure are approximately \$0.94 M. To the extent the number of registration renewals remain constant, the proposed fee structure will collect approximately \$0.95 M (\$1.89 M proposed - \$0.94 M current). The increase in fees may vary by the exact weight of the trucks that register.

Truck Type	Count	Median Wt.	Current Fee	Collection	Proposed Fee	Collection	Increase
Class 1 (80,001-88,000 lbs)	1,750	84,000	\$0.64/100lbs	\$940,800	\$1.32/100lbs	\$1,890,500	\$949,700

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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 State Rev. Reduc. {H & S} |
| <input checked="" 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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