

FISCAL NOTE

Requested by Legislative Council
01/27/2009

Bill/Resolution No.: SB 2409

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$408,000)	(\$19,500)	(\$408,000)	(\$19,500)
Expenditures				\$4,141		\$4,141
Appropriations				\$4,141		\$4,141

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill allows dealers to use dealer plates for the purpose of renting vehicles for not more than 30 days.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1, paragraph 2 allows dealers to use dealer plates to rent vehicles. There are 102 new car dealers in North Dakota and it is estimated that they would each order approximately 5 new plates for rental purposes.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Based on input received from the dealers contacted it is estimated that an average request 5 additional plates will be ordered for rental purposes. New car dealers will be more likely to order these due to their service departments.

Additional revenue generated from this bill is estimated as follows:

New car dealers = 102

Estimated New plates per dealer = 5

Total New plates per year = 510

Cost per plate per year(\$20 Each) = 20

Total Estimated Revenue = \$10,200 per year

Total Revenue per biennium = \$20,400

Estimated Loss MV Revenue from this bill is as follows:

New car dealers = 102

Estimated vehicles not paying fees = 510

Estimated title and reg fees = \$95

Estimated Revenue loss = \$19,950

Estimated Revenue loss per biennium = \$39,900

Revenue loss in title and registration fees balanced with revenue gains from plate sales per year equate to a net loss of \$19,500.

Estimated Loss Tax Revenue from this bill is as follows:

New car dealers = 102

Estimated vehicles not paying fees - 510

Estimated tax, title and reg fees = \$400

Estimated Revenue loss = \$204,000

Estimated Revenue loss per biennium = \$408,000

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Additional costs associated with the estimated increase in plates are as follows:

Cost of the Plates (510 x \$2.00 ea) = \$ 1,020

Mailing expenses (510 x \$1.89 ea) = \$ 943

Registration cards expense (510 x \$0.21) = \$107

Total cost for estimated plates = \$2,070 per year

Total expenses per biennium = \$4,141

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Appropriations would need to remain consistent yearly as plates are lost, new ones ordered, tabs ordered, etc.

Name:	Glenn Jackson	Agency:	NDDOT
Phone Number:	328-4792	Date Prepared:	01/30/2009