

FISCAL NOTE
Requested by Legislative Council
12/21/2012

Bill/Resolution No.: SB 2098

- 1 A. **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.*

| | 2011-2013 Biennium | | 2013-2015 Biennium | | 2015-2017 Biennium | |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | | \$140,000 | | \$105,000 |
| Appropriations | | | | \$140,000 | | \$105,000 |

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

| | 2011-2013 Biennium | 2013-2015 Biennium | 2015-2017 Biennium |
|------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

- 2 A. **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 provides for a refund of the unused portion of vehicle registrations when a vehicle is transferred and not replaced with another vehicle.

- 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.*

An accurate revenue impact for this bill cannot be determined at this time. To this point in time, NDDOT has not tracked the number of vehicles transferred and not replaced with another vehicle; we have no way of estimating the number of refunds that might result from this bill because we don't know how many vehicles are transferred without a "replacement" vehicle. Any motor vehicle registration fees refunded under this bill and related NDDOT expenditures would result in a loss of funding to the Highway Tax Distribution fund. The Highway Tax distribution fund is distributed between NDDOT (61.3%), cities (12.5%), counties (22%), townships (2.7%), and the Public Transportation Fund (1.5%); accordingly, those jurisdictions would realize an undetermined reduction in their revenues from the Highway Tax Distribution Fund. NDDOT would incur additional costs as a result of this bill including computer reprogramming, temporary help, form design, and printing.

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.*

An accurate revenue impact for this bill cannot be determined at this time. To this point in time, NDDOT has not tracked the number of vehicles transferred and not replaced with another vehicle; we have no way of estimating the number of refunds that might result from this bill because we don't know how many vehicles are transferred without a "replacement" vehicle. Any motor vehicle registration fees refunded under this bill and related NDDOT expenditures would result in a loss of funding to the Highway Tax Distribution fund. The Highway Tax distribution fund is distributed between NDDOT (61.3%), cities (12.5%), counties (22%), townships (2.7%), and the Public Transportation Fund (1.5%); accordingly, those entities would realize an undetermined reduction in their revenues from the Highway Tax Distribution Fund.

- 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.*

NDDOT would incur additional costs totaling \$140,000 the first biennium as a result of this bill. This includes computer reprogramming (\$30,000), temporary help (\$100,000), and form design and printing (\$10,000). Second biennium costs will be somewhat less because programming and form design will have been accomplished in the first biennium. Accordingly, the second biennium costs would consist of temporary help (\$100,000) and printing (\$5,000).

- 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.*

NDDOT would require additional appropriation of \$140,000 for the first biennium and \$105,000 in subsequent bienniums to handle the provisions of this bill. These amounts were not included in the executive budget recommendation.

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