

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/23/2016**

Bill/Resolution No.: HB 1138

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						
<b>Expenditures</b>						
<b>Appropriations</b>						

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

- 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 will replace the current annual personalized plate fee of \$25 with a one-time \$100 registration fee for a previously issued non specialized plate.

- 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.*

We cannot reliably quantify the fiscal impacts of this bill as we have no way to determine how many persons may take advantage of the provisions of this bill. However, we can provide some points to consider as they would relate to any fiscal impact of this bill.

- The total universe of vehicles to which this bill could apply would largely consist of the total number of vehicles registered with general issue plates; thus approximately 1 million vehicles could be subject to the provisions of this bill. As an example, if one percent of the vehicles that could be subject to these provisions were registered as such, this would represent 10,000 vehicles.
- The revenues and expenditure impacts of this bill would flow through the Highway Tax Distribution Fund. This fund is distributed to the NDDOT (61.3%), cities (12.5%), counties (22%), townships (2.7%), and public transit (1.5%). Accordingly, any loss of revenue or increase in expenditures as a result of this bill would impact those entities by the indicated percentages.
- The state, cities, counties, townships, and public transit would realize a temporary one-biennium increase of revenue as the one-time fee of \$100 under this bill replaces the previous annual fee of \$25.
- After two bienniums, the temporary increase in revenues would be offset by the loss of the annual fees. Each biennium thereafter, the state, cities, counties, townships, and public transit would experience a loss of revenue as compared to the current law. This would negatively impact the revenues available to fund roads and transit operations throughout the entire state.
- This provisions of this bill would be very labor intensive for the Motor Vehicle Division of NDDOT.
- NDDOT would have to spend at least \$40,000 to make necessary changes to existing computer systems to accommodate the provisions of this bill.
- Any costs such as additional employees and computer programming will increase the loss of revenue to the state, cities, counties, townships, and public transit, thus reducing their ability to maintain roadways and provide transit services.

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.*
- 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.*
- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

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