

FISCAL NOTE
Requested by Legislative Council
01/07/2019

Bill/Resolution No.: HB 1196

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 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).*

HB1196 would allow for a motor vehicle excise tax credit when a vehicle is purchased by a third party other than a dealer. This credit will be allowed for the amount of the vehicle sale price for a period of 3 years.

- 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.*

HB1196 would result in a loss of general fund revenue for the state as a credit on the vehicle sale price is not currently allowed. The loss would be expanded for a period of three years as allowed by the bill. This bill would also require a one-time programming cost of \$20,000.

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.

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.*

HB1196 would result in a loss of general fund revenue for the state as a credit on the vehicle sale price is not currently allowed. The loss would be expanded for a period of three years as allowed by the bill.

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.

- 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.*

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. We do know that the Motor Vehicle Division will incur one-time costs of approximately \$20,000 for computer programming costs; costs that may be incurred beyond that are unknown at this time.

- 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.*

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. We do know that the Motor Vehicle Division will incur one-time costs of approximately \$20,000 for computer programming costs; costs that may be incurred beyond that are unknown at this time. These additional costs (\$20,000) were not included in NDDOT's appropriation request for the 2019-2021 biennium; accordingly NDDOT would need an addition to the 2019-2021 appropriation.

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