

FISCAL NOTE
Requested by Legislative Council
01/17/2007

Bill/Resolution No.: HB 1465

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$48,975		\$10,725
Expenditures				\$71,985		\$17,371
Appropriations				\$71,985		\$17,371

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 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 places motorcycles, ATVs and Snowmobiles into a new category, "Motor-powered Recreational 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.*

It is estimated that potentially there will be 400 – 500 dealers submit for licensing under this law. Revenue gain will be one-time fees paid for initial licensing. Expenditures are associated with the requirement to inspect each applicant prior to issuing a license.

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.*

Application revenue will increase by approximately \$48,975 during the one year application process. Afterwards, revenue will remain approximately \$10,725 above current forecast.

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.*

The Motor Vehicle Division will incur approximately \$71,985 of additional costs in 2007-2009 to implement this change. These costs are associated with establishing and managing the application and inspection process, completing all necessary documentation, and completing all inspections necessary, as well as purchasing additional dealer plates.

One time expenditures to implement this bill are estimated to cost \$43,721 for temporary staffing, \$14,184 for travel and per diem, and approximately \$14,080 for additional dealer plates. Subsequent biennial costs to support this bill will be approximately \$17,371 per biennium, primarily for travel and additional staffing.

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.*

With the increased cost to implement this change, the DOT will require an additional appropriation to comply with the requirements of the bill. The required amounts are \$71,981.79 for the 2007 biennium, and \$17,371.44 for the 2009 biennium.

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