

FISCAL NOTE
Requested by Legislative Council
01/18/2021

Bill/Resolution No.: HB 1482

- 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.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(507,037)		\$(757,637)
Expenditures						
Appropriations						

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

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties		\$(181,971)	\$(271,909)
Cities		\$(103,393)	\$(154,494)
School Districts			
Townships		\$(22,333)	\$(33,371)

- 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 would allow the NDDOT to issue antique plates to vehicles at least 35 years old instead of vehicles at least 40 years old. It also decreases the eligibility requirement for collector plates from vehicles at least 25 years old to at least 20 years old.

- 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 would require the NDDOT to issue antique plates to vehicles at least 35 years old. The current statute indicates antique plate eligibility begins at 40 years old. This potentially results in 5 years of registration fees uncollected. Assuming the current rate of participation in antique plates of 86.72% of eligible vehicles and accounting for the one-time \$10 registration fee, estimated decrease in registration fees collected is \$711,428 for the 21-23 biennium and \$947,641 for the 23-25 biennium. Section 2 would require the NDDOT to issue collector plates to vehicles at least 20 years old. The current statute indicates collector plate eligibility begins at 25 years old. This potentially results in 5 years of registration fees uncollected. Assuming the current rate of participation in collector plates of 3.16% of eligible vehicles and accounting for the one-time \$60 registration fee, estimated decrease in registration fees collected is \$115,713 for the 21-23 biennium and \$288,308 for the 23-25 biennium. There would be a very minor increase in plate production costs; however the net impact would be immaterial (less than \$5,000 per biennium) and will be disregarded for purposes of this analysis.

The revenue reductions resulting from this bill would flow through the Highway Tax Distribution Fund and would therefore reduce the revenues available for distribution to the State Highway Fund (61.3% share), cities (12.5% share), counties (22% share), townships (2.7% share), and public transportation (1.5% share).

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.*

The provisions of this bill will result in a net reduction of revenues totaling \$827,141 for the 21-23 biennium and \$1,235,950 for the 23-25 biennium. These revenue reductions would flow through the Highway Tax Distribution Fund

and would therefore reduce the revenues available for distribution to the State Highway Fund by \$507,037 during the 21-23 biennium and \$757,637 during the 23-25 biennium (61.3% share).

- 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 additional expenditures that will result from this bill are immaterial.

- 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.*

Since this bill has no material impact on expenditures, it would have no impact on appropriations.

Name: Jennifer Blumhagen

Agency: NDDOT

Telephone: (701) 328-2734

Date Prepared: 01/25/2021