

FISCAL NOTE
HOUSE BILL NO. 1212
LC# 23.0350.03000
03/07/2023

1 - 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.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(32,214)		\$(5,964)
Expenditures						
Appropriations						

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - 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 a surviving spouse of a disabled veteran to obtain one distinctive license plate or a standard plate with no fees.

Free education benefits has always been available to widow and widowers of deceased or 100% disabled service members. HB1212 adds a new form of verification.

4 - Fiscal Impact Sections Detail

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.

ND DOT:

Section 2 subsection J allows for a disabled veteran's spouse to be eligible for this exemption for one vehicle.

Currently we have 2,100 vehicles registered under this class. After review with ND Veterans Affairs, we estimate 1% of the 2,100 would select this option for a total of 21 vehicles. Average purchase price \$25,000. Excise tax exemption amount: \$1,250. Average annual registration: \$142.
2023-2025 Biennium $\$(1,534 * 21 = \$32,214)$ and 2025-2027 $\$(284 * 21 = \$5,964)$

ND Tax Department:

If enacted, Section 3 of HB 1212 would change the requirements for the disabled veterans property tax credit program. Currently surviving spouses of disabled veterans are ineligible for the credit if they remarry. Enactment of HB 1212 would allow surviving spouses of disabled veterans to be eligible for the disabled veterans credit regardless of their marital status.

If enacted, Section 4 of HB 1212 would change the requirements for the motor vehicle excise tax exemption. Currently surviving spouses of disabled veterans are ineligible for the exemption if they remarry. Enactment of HB 1212 would allow surviving spouses of disabled veterans to be eligible for the motor vehicle excise tax exemption regardless of their marital status.

ND University System:

Free education benefits has always been available to widow and widowers of deceased or 100% disabled service members. HB1212 adds a new form of verification the survivors can present to receive the benefits. No additional attendees are anticipated, and no fiscal impact is anticipated.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

ND DOT:

The revenue impact of this bill involves the State Aid Distribution Fund by $\$(38,178)$

ND Tax Department:

Regarding Section 4 of HB 1212, enactment of this bill will allow individuals that were previously denied the motor vehicle excise tax exemption to now qualify for the exemption. This will cause a reduction in revenue to the state general fund and the state aid distribution fund. The surviving spouse marital status is not tracked by the Office of State Tax Commissioner. Because it is unknown how many additional individuals would be eligible to claim the exemption, the fiscal impact of HB 1212, Section 4, cannot be determined.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

ND Tax Department:

Regarding Section 4 of HB 1212, enactment of this bill will allow individuals that were previously denied the motor vehicle excise tax exemption to now qualify for the exemption. This will cause a reduction in revenue to the state general fund and the state aid distribution fund. The surviving spouse marital status is not tracked by the Office of State Tax Commissioner. Because it is unknown how many additional individuals would be eligible to claim the exemption, the fiscal impact of HB 1212, Section 4, cannot be determined.

ND University System:

No additional attendees are anticipated, and no fiscal impact is anticipated.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please 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.

Contact Information

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