

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0244-01
Bill No.: HB 88
Subject: Motor Vehicles; Licenses-Motor Vehicles; Revenue Dept.
Type: Original
Date: January 17, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	(\$60,000)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$60,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Road Fund*	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown	Unknown	Unknown

*Unknown income expected to be less than \$100,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with **Department of Revenue** and **Department of Public Safety** assume this proposal would have no fiscal impact on their agencies.

Officials with **Office of State Treasurer (STO)** assume this proposal would have fiscal impact on their agency. STO notes that their current interest distribution system is set up to be compatible with the state accounting system. That system does not handle fund subaccounts. Reconfiguring the Treasurer's interest distribution system would have a one time programming cost of \$60,000.

Officials with the **Department of Transportation (DOT)** assume this proposal could have an unknown positive fiscal impact on the state road fund. Additional personnel could be needed to administer the sub-account and the \$25 fee collected on claimed vehicles could create a minimal but positive impact on the Highway Fund.

Oversight assumes the cost to administer this sub-account would be minimal and DOT could absorb with current resources. With information obtained from officials at DPS, **Oversight** further assumes that the revenue generated from the fee could be less than \$100,000.

This proposal could increase state revenue through fee collection on claimed vehicles.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
GENERAL REVENUE			
<u>Cost-Office of State Treasurer</u>			
Reprogramming	(\$60,000)	\$0	\$0
NET ESTIMATED EFFECT ON GENERAL REVENUE	(\$60,000)	\$0	\$0
ROAD FUND			
<u>Income-Department of Revenue</u>			
Fees for claimed vehicles *	Unknown	Unknown	Unknown
NET ESTIMATED EFFECT ON ROAD FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
*Unknown less than \$100,000			
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would create a subaccount within the Highway and Transportation Department Fund to pay a fee to tow truck services which remove abandoned vehicles from state roadways at the request of law enforcement agencies.

Tow truck services would pay service fees to the subaccount if they received payment from the subaccount but did not keep the vehicles for at least thirty days or if they took title to the vehicle.

DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Department of Public Safety
State Treasurer's Office



Mickey Wilson, CPA
Director
January 17, 2003