Sandy Sostad February 10, 2011 471-0054

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

	ESTIMATE OF FISC	CAL IMPACT – STAT	E AGENCIES *		
	FY 2011-	FY 2011-12			
_	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE	
GENERAL FUNDS		\$200		\$400	
CASH FUNDS	\$29,250	\$825		\$2,000	
FEDERAL FUNDS					
HIGHWAY TRUST FUND		See Below		See Below	
TOTAL FUNDS	\$29,250	\$1,025		\$2,400	

^{*}Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 289 pertains to low-speed vehicles. The bill allows low-speed vehicles to be operated on a highway on which the speed limit does not exceed 35 miles per hour. The bill requires that all low-speed vehicles sold in the state on or after January 1, 2012 be titled and registered. The registration fee is \$15. The bill allows the Department of Roads (NDOR) to prohibit the operation of low-speed vehicles on any highway, if it determines it is necessary in the interest of public safety. The bill also repeals the Alternative Fuel Tax Act and provides for a \$75 fee to be paid upon registration of a vehicle powered by an alternative fuel.

Expenditures: The Department of Motor Vehicles (DMV) will incur an estimated one-time cost of \$29,250 of cash funds in FY 2011-12 for computer programming to modify the Vehicle Title Registration System to incorporate the titling and registering of low-speed vehicles and the collection of the alternative fuel fee. It is possible NDOR will have increased expenses for signs to prohibit low-speed vehicles on certain highways. No fiscal impact is estimated at this time.

Owners of motor vehicles powered by alternative fuels currently apply to the Department of Revenue for an annual alternative fuel user permit. The fee for a permit is \$75 fee which is deposited in the Highway Trust Fund. The bill provides for the collection of the \$75 fee at the time a motor vehicle is registered. The repeal of the Alternative Fuel Tax Act will minimally reduce the workload of the Department of Revenue. No fiscal impact is anticipated for the department.

Revenues: The number of low-speed vehicles is unknown. DMV estimates there may be about 100 low-speed vehicles titled in the initial year and an additional 100 titled in the second year. NDOR estimates there could be about 1,000 low-speed vehicles registered each year. Assuming there are 100 low-speed vehicles titled in 2011-12 and an additional 200 titled in 2012-13, the following chart shows the estimated revenue from title and registration fees. The revenue reverting to the Highway Trust Fund is remitted to NDOR (53 1/3%), cities (23 1/3%), and counties (23 1/3%).

The change in paying the alternative fuel fee during the registration process rather than to the Department of Revenue is revenue neutral for the Highway Trust Fund because the \$75 fee is unchanged by the bill.

		Title Fees 2011-12 Est. # of		我 "			Title Fees 2012-13 Est. # of	
Entity	Fee	Titles	Revenue	12.0	Entity	Fee	Titles	Revenue
General Fund	\$2.00	100	200		General Fund	\$2.00	200	400
DMV Cash Fund	\$4.00	100	400	學算	DMV Cash Fund	\$4.00	200	800
Attorney General CF	\$0.20	100	20	A.A.	Attorney General CF	\$0.20	200 -	40
State Patrol Cash Fund	\$0.45	100	45	űð.	State Patrol Cash Fund	\$0.45	200	90
Mtr. Veh. Ind. Lic. CF	\$0.10	100	10		Mtr. Veh. Ind. Lic. CF	\$0.10	200	20
Counties	<u>\$3.25</u>	100	325	321	Counties	<u>\$3.25</u>	200	650
Total Title Fees	\$10.00		\$1,000	16.	Total Title Fees	\$10.00	-	\$2,000

		Registration Fees 2011-12		STATE OF			Registration Fees 2012-13	
Entity	Fee	Est. # of Regs.	Revenue	12	Entity	Fee	Est. # of Regs.	Revenue
Highway Trust Fund	\$15.00	100	1,500	2	Highway Trust Fund	\$15.00	300	4,500
DMV Cash Fund	\$1.50	100	150	2	DMV Cash Fund	\$1.50	300	450
Recreation Road Fund Emerg. Med. Sys. Op.	\$1.50	100	150	100	Recreation Road Fund Emerg. Med. Sys. Op.	\$1.50	300	450
Fund	\$0.50	100	50		Fund	\$0.50	300	150
Counties	\$2.00	100	200	See le.	Counties	<u>\$2.00</u>	300	600
Total Registration Fees	\$20.50		\$2,050		Total Registration Fees_	\$20.50		\$6,150

DEPARTMENT OF ADMINISTRATIVE SERVICES

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REVIEWED BY	Joe Wilcox	DATE 1/31/11	PHONE 471-2526

COMMENTS

NEBRASKA DEPARTMENT OF MOTOR VEHICLES: No basis to dispute agency analysis for the DMV.

DEPARTMENT OF ROADS: No basis to dispute agency analysis relative to the Department of Roads.

DEPARTMENT OF REVENUE: The Department of Roads' fiscal note on LB 289 indicates the Highway Trust Fun would see a minor revenue increase of \$3,600 in FY 2011-12 and of \$8,800 in FY 2012-13.

No basis to dispute Department of Revenue's assumption that the bill will have no cost impact on the agency.

LB 289 **FISCAL NOTE**

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NEBRASKA DEPARTMENT OF MOTOR VEHICLES LEGISLATIVE FISH 471-9594

Prepared by: Gary Ryken

Email: gary.ryken@nebraska.gov

	FY 2011-2012		FY 2012-2013			
	EXPENDITURES	REVENUE	EXPENDITURES	RE	EVENUE	
GENERAL FUNDS		\$ 200_		\$	200	
CASH FUNDS	\$ 29,250	\$ 550		\$	700	
TRUST FUNDS		\$ 2,250		\$	3,750	
OTHER FUNDS		\$ 800		\$	1,200	
TOTAL FUNDS	\$ 29,250	\$ 3,800	\$	\$	5,850	

Explanation of Estimate:

LB 289 provides for the titling and registration of low-speed vehicles and a new alternative fuel fee. It is estimated that approximately 100-200 such vehicles would be titled and registered each year. The VTR system will require modifications to accommodate the alternative fuel fee and add the low speed vehicle class to the database. It is estimated that 390 programming hours will be needed to make the changes. Due to the expected low numbers the license plate appropriation is adequate to handle the increase.

Expenditures		Hrs.	Rate		Total	
Computer Programmin	ng	390 \$	5 75	5 \$	29,250	
Revenues			2012		2013	
Title Fees						
County Retained	\$ 3.25	\$	325	5 \$	325	
DMV Cash Fund	\$ 4.00	\$	400	\$	400	
State General Fund	\$ 2.00	\$	200	\$	200	
Other	\$ 0.75	\$	75	5 \$	75	
Registration Fees						
Highway Trust Fund	\$ 15.00	\$	1,500	\$	3,000	
DMV Cash Fund	\$ 1.50	\$	150	\$	300	
Road Recreation Fund	\$ 1.50	\$	150	\$	300	
EMS Fund	\$ 0.50	\$	5 50	\$	100	
County Retained	\$ 2.00	\$	200) \$	400	
Alternative Fuel Fee						
Highway Trust Fund	\$ 75.00	\$	750) \$	750	
	MAJOR OBJECTS	OF EXPEND	ITURE			
	NUMBER OF P	PAOLITISO			2011-2012	2012-2013

		MAJOR OBJECT	S OF EXPENDITURI	Е			
		NUMBER OF	POSITIONS	2011	-2012	2012	2-2013
	POSITION TITLE	11-12	<u>12-13</u>	<u>EXPENI</u>	<u>DITURES</u>	<u>EXPENI</u>	DITURES
			·				
Benefits							
Operating				\$	29,250		
Travel							
Capital Outlay							
Aid							
Capital Improve	ements						
	Total				29,250	\$	

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FISCAL NOTE LB289 Department of Roads

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Prepared By	Hayes, Marilyn
Date Prepared	1/19/2011
Prepared Phone	402-479-4692

Estimate Provided By State Agency or Political Subdivision

	FY 201	FY 2011-2012		2-2013
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds		\$3,600		\$ 8,800
Federal Funds				
Other Funds				
Total Funds		\$3,600		\$ 8,800

Explanation of Estimate:

LB 289 would allow operation of low-speed vehicles on highways and provide for a registration fee of \$15. It also imposes a registration fee of \$75 for each motor vehicle powered by an alternative fuel.

Low-speed vehicles are estimated at 1,000 and would generate revenue of \$15,000.

Alternative fuel powered vehicles are estimated at 20 and would generate revenue of \$1,500.

Registration fees are deposited into the Highway Trust Fund which is shared 53 1/3% to the Department of Roads and 23 1/3% each to the cities and the counties. NDOR's 53 1/5% of the additional revenue would be \$ 8,800 (53 1/3% of \$16,500)

With an effective date of January 1, 2012, the FY-12 fiscal impact is 5/12ths or \$3,600.

However, this increased revenue may be offset by additional expenses to post signs to prohibit low-speed vehicles if it becomes necessary for public safety. No additional expense is anticipated at this time.

Major Objects of Expenditure

	Number of Positions		FY 2011-2012	FY 2012-2013
Position Title	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
		Benefits		
		Operating		
		Travel		_
		Capital outlay		
1 000		Aid		
X		Capital improvements		
		Total		

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LB 289

Fiscal Note 2011

LEGISLA	ATIVE FISUAL	State Agency	Estimate			
State Agency Name: Department of	of Revenue				Date Due LFA:	1/18/2011
Approved by: Douglas Ewald		Date Prepared:	1/20/2011		Phone: 471-5700	
=	FY 2011	1-2012	FY 201	2-2013	FY 20	13-2014
	Expenditures	<u>Revenue</u>	Expenditures	Revenue	Expenditures	Revenue
General Funds	1					
Cash Funds						
ederal Funds						
Other Funds						
Total Funds						
				<u> </u>		

LB 289 removes the responsibility for administering the alternative fuel user program from the Department of Revenue and transfers it to the Department of Motor Vehicles.

There is no impact to the General Fund or to the Highway Trust Fund, and there is no departmental cost to implement this bill.

Major Objects of Expenditure							
Class Code	Classification Title	11-12 FTE	12-13 FTE	13-14 FTE	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
A							