

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1576-02
Bill No.: HB 683
Subject: Licenses - Motor Vehicle: Insurance - Automobile; Revenue Department
Type: # Updated
Date: March 23, 2009
 # Updated to reflect additional information obtained.

Bill Summary: Requires proof of financial responsibility to be presented prior to issuance of temporary license plates

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
# Motor Vehicle Commission Fund	# \$0	\$0	\$0
# Total Estimated Net Effect on <u>Other</u> State Funds	# \$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume this proposal will have no fiscal impact on their agency.

Officials from the **Department of Revenue (DOR)** assume this proposed legislation does the following:

§301.140.4 - Provides that a dealer may furnish a temporary plate to a buyer for temporary use upon application, presentation of proof of financial responsibility, and satisfactory evidence that the buyer has applied for registration.

§301.140.5 - Provides that DOR shall issue a temporary permit upon proof of purchase of a motor vehicle or trailer for which the buyer has no registration plate available for transfer and upon proof of financial responsibility and also provides that no temporary permits shall be issued without proof of financial responsibility.

DOR will need to:

- Revise policy and procedures, update the DOR website, and revise the Special Permits Application to reflect the change;
- Notify 8,920 dealers of the change at a cost to the Motor Vehicle Commission Fund of \$4,130 (paper/envelopes/postage).

Oversight assumes that, due to carryover of funds from year to year, there are sufficient funds in the Motor Vehicle Commission Fund to cover the notification costs of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
MOTOR VEHICLE COMMISSION			
# <u>Cost</u> - Dealer Notification	# <u>\$0</u>	<u>\$0</u>	<u>\$0</u>
# ESTIMATED NET EFFECT ON MOTOR VEHICLE COMMISSION	# <u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<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.

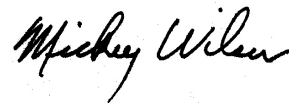
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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 Insurance, Financial Institutions and Professional Registration



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Director
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