

FISCAL NOTE
Requested by Legislative Council
01/13/2017

Amendment to: HB 1158

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(1,386,068)		\$(1,391,648)
Expenditures				\$15,000		
Appropriations				\$15,000		

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties		\$(490,820)	\$(487,520)
Cities		\$(278,875)	\$(277,000)
School Districts			
Townships		\$(60,237)	\$(59,832)

- 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, as amended, would eliminate the annual Personalized Plate fee, charging a one-time only fee of \$60.

- 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 of this bill would eliminate the annual personalized plate fee resulting in a revenue decrease each biennium. This bill would also require a one-time programming cost of \$15,000.

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.*

There are approximately 62,320 currently issued personalized license plates. Under the provisions of Section 1 of this bill the Highway tax distribution fund will lose approximately \$2,231,000 in revenue the first biennium and continue to lose \$2,216,000 for each subsequent biennium.

The net loss in revenue of \$2,231,000 in the first biennium and loss of \$2,216,000 in each subsequent biennium is allocated through the Highway Tax Distribution Fund to NDDOT (61.3%), counties (22%), cities (12.5%), townships (2.7%), and transit (goes to NDDOT) (1.5%).

The amounts shown in Section 1A are a composite of the amounts impacting the Motor Vehicle Division of NDDOT (off the top), the 61.3% NDDOT Highway Tax distribution, and the 1.5% transit Highway Tax distribution.

- 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.*

NDDOT Motor Vehicle Division will incur one-time costs of approximately \$15,000 for computer programming costs.

- 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.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$15,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2017-2019 biennium.

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2017 Session

Fiscal Note Support

Assumptions:

Number of personalized license plates	62,320
Number of new personalized licensed plates (excluding duplicate plates)	15,000
Revenue per plate with one-time fee	\$ 60.00
Revenue per plate with personalized plate fee per biennium (\$25 x 2)	\$ 50.00
One time programming costs	\$ 15,000.00
Highway Tax Distribution Fund Percentages	
NDDOT	61.30%
Cities	12.50%
Counties	22.00%
Townships	2.70%
Transit (NDDOT)	1.50%

Total Revenue collected with one time fee \$60 x 15,000	\$ 900,000	
Less current revenue collected for personalized plates \$50 x 62,320	\$ (3,116,000)	
Total Revenue Impact		\$ (2,216,000)
One Time Programming Costs		\$ (15,000)
Total First Biennium Revenue Impact		<u>\$ (2,231,000)</u>

Revenue (HTDF) Impact

First Biennium:

MV Revenue Impact		\$ (2,231,000)
Revenue Reduction through HTDF Distribution		
NDDOT (61.3%)	\$ (1,367,603)	
Cities (12.5%)	\$ (278,875)	
Counties (22%)	\$ (490,820)	
Townships (2.7%)	\$ (60,237)	
Transit (NDDOT) (1.5%)	\$ (33,465)	
		\$ (2,231,000)

Second Biennium:

MV Revenue Impact		\$ (2,216,000)
Revenue Reduction through HTDF Distribution		
NDDOT (61.3%)	\$ (1,358,408)	
Cities (12.5%)	\$ (277,000)	
Counties (22%)	\$ (487,520)	
Townships (2.7%)	\$ (59,832)	
Transit (NDDOT) (1.5%)	\$ (33,240)	
		\$ (2,216,000)

17-19	19-21
Other Funds	Other Funds

Fiscal Note Section 1A - State Fiscal Impact:

Revenues	\$ (1,386,068)	\$ (1,391,648)
Expenditures	\$ 15,000	
Appropriations	\$ 15,000	

17-19	19-21
Biennium	Biennium

Fiscal Note Section 1B - City, County, School District, and Township Fiscal Impact:

Counties	\$ (490,820)	\$ (487,520)
Cities	\$ (278,875)	\$ (277,000)
School Districts		
Townships	\$ (60,237)	\$ (59,832)