

FISCAL NOTE

Bill #: HB 531

Title: Revise licensing for fertilizer spreader equipment

Primary

Sponsor: Karl Waitschies

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
General Fund	250	250
Revenue:		
State Special Revenue	6,250	6,250
Net Impact on General Fund Balance:	(\$250)	(\$250)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
X		Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department of Justice

1. Annual operating expenses for the Department of Justice, Motor Vehicle Division would be increased by \$250 for printing of application forms and the permits. The Department of Justice, Motor Vehicle Division would absorb the costs of training the county treasurers through the use of established training schedules.
2. Since this bill is effective on passage and approval, the one-time operating costs to the Department of Justice would be incurred and absorbed in the current fiscal year. Those costs to modify the motor vehicle system and account for the collection and distribution of the fees are estimated at \$3,600 (48 hours x \$75/hour) for FY 2001. A combination of DOJ programming staff and private vendors will be necessary to address the current backlog of more than 15,000 hours of programming to comply with existing mandates and the considerable system maintenance that is required. Computer costs to complete the programming are estimated at \$990 (6 days @ \$165/day). Total costs in FY 2001 for programming are estimated at \$4,590 (\$3,600 + \$990).

3. Costs to the State Treasurer to revise the forms and reports submitted by the county treasurers are unknown.
4. The Department of Transportation is responsible for collection and distribution of monies to the State Highway Special Revenue account and the appropriate County Road Funds.

Department of Transportation

5. Approximately 250 special mobile equipment demonstration permits would be issued annually. It is estimated \$6,250 would be generated annually for the State Highway Special Revenue account and \$6,250 for the County Road Fund.
6. Because the effective date is “upon passage and approval” programming costs would have to be absorbed out of FY 2001 budget. Programming needed to develop a new permit type is estimated at \$3,200 during FY 2001.

FISCAL IMPACT:

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$250	\$250
<u>Funding:</u>		
General Fund (01)	\$250	\$250
<u>Revenues:</u>		
State Special Revenue (02)	\$6,250	\$6,250
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$250)	(\$250)
State Special Revenue (02)	\$6,250	\$6,250

TECHNICAL NOTES:

1. Since this bill is effective on passage and approval, the costs of programming the motor vehicle system would be incurred in FY 2001. Some time would be needed to develop and disseminate procedures, complete programming, and to print and distribute the applications and permits.
2. Section 1-2-201(1)(c), MCA, requires every statute providing for the taxation of or the imposition of a fee on motor vehicles take effect on the first day of January following passage and approval. Therefore, if the effective date of this bill is changed to January 1, 2002, the programming could occur after July 2001 and the costs for the programming would be incurred in FY 2002 affecting the general fund expenditure projections.