

FISCAL NOTE

Bill #: SB73

Title: Generally revise distribution of motor vehicle revenue

Primary

Sponsor: Bill Glaser

Status: House 3rd Reading

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Revenue:		
General Fund	\$(478,675)	\$(1,018,953)
Highway Account	\$549,120	\$1,144,642
District Courts	\$11,016	\$41,408
University 6-mill	\$(58,189)	\$(121,339)
Assumption 9-mill	\$(49,237)	\$(102,671)
Local Governments	\$25,965	\$56,913
Net Impact on General Fund Balance:	\$(478,675)	\$(1,018,953)

<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:

1. Table 1 below shows the current law distribution of the fee in lieu of taxes to the accounts/funds for watercrafts, snowmobiles, OHV's, motor homes, motorcycles/quadracycles, heavy vehicles, trailers, travel trailers, and campers. Additionally, Table 1 shows the distribution of the registration flat fee for light vehicles.

Table 1
Current Law Distribution

VEHICLES	Highway Account	District Courts	DofAg. SSRA	FWP SSRA	Univ. 6-mill	Assump. 9-mill	GF 95-mills	GF 1.5-mills	GF General	Local Gov Mills
Watercrafts	No	No	No	20% ¹ /No	Yes	Yes	Yes	Yes	No	Yes
Snowmobiles	No	No	No	No	Yes	Yes	Yes	Yes	No	Yes
OHV's	No	No	\$1/vehicle	No	Yes	Yes	Yes	Yes	No	Yes
Motorhomes	New Only	No	No	No	Yes	Yes	Yes	Yes	No	Yes
Motorcycles/Quads	New Only	No	No	No	No	No	No	Yes	No	Yes
Heavy Vehicles	New Only	No	No	No	Yes	Yes	Yes	Yes	No	Yes
Trailers	No	No	No	No	Yes	Yes	Yes	Yes	No	Yes
Travel Trailers	No	No	No	No	Yes	Yes	Yes	Yes	No	Yes
Campers	No	No	No	No	Yes	Yes	Yes	Yes	No	Yes
LIGHT VEHICLES	New Only	10%	No	No	No	No	No	Yes	No	Yes

¹FWP receives 20% of FILT's on Watercrafts through FY2002.

2. Table 2 below shows the proposed law distribution of the fee in lieu of taxes to the accounts/funds for watercrafts, snowmobiles, OHV's, motor homes, motorcycles/quadracycles, heavy vehicles, trailers, travel trailers, and campers. Additionally, Table 2 shows the distribution of the registration flat fee for light vehicles.

Table 2
Proposed Law Distribution

VEHICLES	Highway Account	District Courts	DofAg. SSRA	FWP SSRA	Univ. 6-mill	Assump. 9-mill	GF 95-mills	GF 1.5-mills	GF General	Local Gov Mills
Watercrafts	12.1%	7.7%	No	20% ¹ /No	No	No	No	No	1.3%	Yes
Snowmobiles	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
OHV's	12.1%	7.7%	\$1/vehicle	No	No	No	No	No	1.3%	Yes
Motorhomes	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
Motorcycles/Quads	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
Heavy Vehicles	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
Trailers	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
Travel Trailers	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
Campers	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes
LIGHT VEHICLES	12.1%	7.7%	No	No	No	No	No	No	1.3%	Yes

¹FWP receives 20% of FILT's on Watercrafts through FY2002.

(continued)

3. Under this proposal, a portion of the amount collected from the light vehicle registration flat fee and the fee in lieu of tax on all vehicle types is deposited 12.1% in the state special revenue highway account; 7.7% in the district courts; and 1.3% in the state general fund. The remaining revenue is allocated across local mills. Under this proposed change in distribution there will be revenue *decreases* to the **state general fund** of \$478,675 in fiscal 2002 and \$1,018,953 in fiscal 2003; the **university system 6-mill account** of \$58,189 in fiscal 2002 and \$121,339 in fiscal 2003; and the **state assumption of public assistance 9-mill account** of \$49,237 in fiscal 2002 and \$102,671 in fiscal 2003. Revenues increase for **local governments** by \$25,965 in fiscal 2002 and \$56,913 in fiscal 2003; for **district courts** by \$11,016 in fiscal 2002 and \$41,408 in fiscal 2003; and for the **state special revenue highway account** by \$549,120 in fiscal 2002 and \$1,144,642 in fiscal 2003. Table 3 below shows the revenue impacts under this proposal by account/fund.

Table 3 Revenue Impacts Under this Proposal		
Account/Funds	FY2002	FY2003
Highway Account	\$ 549,120	\$ 1,144,642
District Courts	\$ 11,016	\$ 41,408
University System 6-mill	\$ (58,189)	\$ (121,339)
State Assumption 9-mill	\$ (49,237)	\$ (102,671)
Local Gov Mills	\$ 25,965	\$ 56,913
State General Fund		
95 mills allocation	\$ (907,746)	\$ (1,892,887)
1.5 mills allocation	\$ (57,585)	\$ (117,195)
1.3% allocation	\$ 486,657	\$ 991,129
Net impact on State G.F.	\$ (478,675)	\$ (1,018,953)

4. The above impacts in assumption three are calculated using a 1.5% annual growth rate in the number of vehicles. The calendar year 2000 motor vehicle database is used as the base year in making the calculations in assumption three.

(continued)

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Revenues:</u>		
General Fund (01)	\$(478,675)	\$(1,018,953)
Highway Account (02)	\$549,120	\$1,144,642
District Courts (03)	\$11,016	\$41,408
University 6-mill (04)	\$(58,189)	\$(121,339)
Assumption 9-mill (05)	\$(49,237)	\$(102,671)
Local Governments (06)	\$25,965	\$56,913

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	\$(478,675)	\$(1,018,953)
Highway Account (02)	\$549,120	\$1,144,642
District Courts (03)	\$11,016	\$41,408
University 6-mill (04)	\$(58,189)	\$(121,339)
Assumption 9-mill (05)	\$(49,237)	\$(102,671)
Local Governments (06)	\$25,965	\$56,913

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Under this proposal, the revenue going to local governments (statewide) will be slightly larger than under current law.

LONG-RANGE IMPACTS:

Under this proposal, the revenue going to the state general fund, the university system 6-mill, and the state assumption of public assistance 9-mill, will be less than under current law. The revenue going to the district courts, local governments (statewide), and the state special revenue highway account will be larger than under current law.