



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2015 Biennium

<b>Bill #</b>	SB0166	<b>Title:</b>	Waive vehicle registration fees for disabled public safety officers/firefighters
<b>Primary Sponsor:</b>	Barrett, Dick	<b>Status:</b>	As Introduced

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|--|--|--|
| <input checked="" type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget        | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<b>Expenditures:</b>				
General Fund	\$1,320	\$0	\$0	\$0
State Special Revenue	\$880	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	(\$13,072)	(\$26,144)	(\$26,144)	(\$26,144)
State Special Revenue	(\$946)	(\$1,892)	(\$1,892)	(\$1,892)
<b>Net Impact-General Fund Balance:</b>	<u>(\$14,392)</u>	<u>(\$26,144)</u>	<u>(\$26,144)</u>	<u>(\$26,144)</u>

**Description of fiscal impact:** This bill exempts eligible disabled public safety officers, fire fighters and/or the un-married spouse of a public safety officer or firefighter who died due to a duty-connected injury from paying vehicle registration fees for two motor vehicles. This bill will decrease general fund and state special revenues.

### FISCAL ANALYSIS

**Assumptions:**

**Department of Justice (DOJ)**

1. Under the provisions of SB 166, the owners of motor vehicles qualifying for this waiver will not pay the following registration fees: light vehicle registration fee (\$217.00, \$87.00, or \$28.00 depending on age of the vehicle), county local option tax (percentage of the vehicle's taxable value), Montana Highway Patrol (MHP) salary and retention fee (\$5.00), and light vehicle state parks fee (\$6.00 optional) for two vehicles.
2. In lieu of more specific information on who might qualify as exempt under the requirements of this bill, estimates are based on information on the Officer Down Memorial and National Fallen Firefighters Foundation websites regarding Montanans who died in the line of duty.
3. In the last 30 years, 23 firefighters and 20 public safety officers were reported as having died in duty-connected injury in Montana on the websites noted above.
4. The Motor Vehicles Division (MVD) estimates that each of the individuals in assumption #4 has an un-married surviving spouse who would meet the provisions of this bill, and each surviving spouse owns and would license two vehicles: one light motor vehicle in the one to four year old or less range and one light

motor vehicle in the five to ten year old range. The following annual fiscal impacts will occur: (1) a general fund decrease in light vehicle registration fees of \$13,072 ((43 vehicles 1-4 years old x \$217.00) + (43 vehicles 5-10 years old x \$87.00)); (2) a state special revenue decrease in MHP salary and retention fee of \$430 (86 vehicles x \$5.00); and (3) a state special revenue decrease in the light vehicle state parks fee of \$516 (86 vehicles x \$6.00).

5. The MVD assumed that the number of individuals who would be eligible for exemption of the vehicle registration fees due to disability caused by duty-connected injuries would be equal to those eligible due to death in the line of duty (Assumption #4).
6. MVD estimates that each of the individuals in assumption #6 will license one motor vehicle that is a light motor vehicle in the one to four year old or less range and one motor vehicle that is a light motor vehicle in the five to ten year old range. The following annual fiscal impacts will occur: (1) a general fund decrease in light vehicle registration fees of \$13,072 ((43 vehicles 1-4 years old x \$217.00) + (43 vehicles 5-10 years old x \$87.00)); (2) a state special revenue decrease in MHP salary and retention fee of \$430 (86 vehicles x \$5.00); and (3) a state special revenue decrease in the light motor vehicle state parks fee of \$516 (86 vehicles x \$6.00).
7. Revenue decreases for FY 2014 would be 50% of the annual impact due to the effective date of January 1, 2014.
8. Training of office personnel and county motor vehicle personnel could be absorbed in the existing MVD budget.
9. DOJ Information Technology Services Division (ITSD) will need to hire a contractor to reconfigure code in the statewide database. It is estimated that the reconfiguration will total \$2,200. This will be a one-time-only expenditure in FY 2014 and is funded 60% general fund and 40% state special revenue.

	<b><u>FY 2014</u></b> <b><u>Difference</u></b>	<b><u>FY 2015</u></b> <b><u>Difference</u></b>	<b><u>FY 2016</u></b> <b><u>Difference</u></b>	<b><u>FY 2017</u></b> <b><u>Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Operating Expenses	\$2,200	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b><u>\$2,200</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$1,320	\$0	\$0	\$0
State Special Revenue (02)	\$880	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<b><u>\$2,200</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b><u>Revenues:</u></b>				
General Fund (01)	(\$13,072)	(\$26,144)	(\$26,144)	(\$26,144)
State Special Revenue (02)	(\$946)	(\$1,892)	(\$1,892)	(\$1,892)
<b>TOTAL Revenues</b>	<b><u>(\$14,018)</u></b>	<b><u>(\$28,036)</u></b>	<b><u>(\$28,036)</u></b>	<b><u>(\$28,036)</u></b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$14,392)	(\$26,144)	(\$26,144)	(\$26,144)
State Special Revenue (02)	(\$1,826)	(\$1,892)	(\$1,892)	(\$1,892)

**Effect on County or Other Local Revenues or Expenditures:**

1. Counties may see a decrease in county option taxes collected dependent upon the value of the vehicles registered by individuals who qualify for waived fees under this proposal.

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*