

Revised due to adoption of amendment on General File.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$6,000	\$27,500	\$0	\$8,500
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$6,000	\$27,500	\$0	\$8,500

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 498, as amended by AM413, amends several sections of statute dealing with the Motor Vehicle Title Act, the Motor Vehicle Registration Act, and the Nebraska Rules of the Road regarding all-terrain vehicles (ATV) and utility-type vehicles (UTV).

The bill provides that the sales tax on ATVs and UTVs is imposed at the time of sale and is to be collected by the retailer.

The bill, as amended, now states that no ATV or UTV may be operated in Nebraska unless it has been registered in Nebraska and that this requirement also applies to an ATV or UTV that has been modified or retrofitted with after-market parts. In addition, registration with the county treasurer is to be done within 30 days of purchase. The fee for registration is \$8 and is valid until the vehicle's ownership is transferred. \$7 of the registration fee is to be retained by the county and \$1 is to be remitted to the State Treasurer for credit to the Department of Motor Vehicles Cash Fund. The Department of Motor Vehicles is to keep a record of all ATV and UTV registered.

An ATV or UTV registered in another state may be operated in Nebraska on a reciprocal basis.

The bill has an operative date of October 1, 2015.

The Department of Motor Vehicles estimates that there are in excess of 55,000 of these type of vehicles that would be required to register in Nebraska. They estimate that approximately one-half will register in the first year of implementation of LB 498 and additional numbers will gradually register in subsequent years. Approximately 8,500 vehicles are expected to register annually. The DMV indicates this will require minimal programming to the VTR system to accommodate the addition of ATV/UTV vehicles. Registration stickers will be required on an annual basis following an initial order of 60,000 stickers needed to allow distribution to all counties. The stickers are estimated to cost ten cents per sticker, resulting in an initial outlay of \$6,000 in FY2015-16 and \$1,000 in subsequent fiscal years. The DMV indicates that they can absorb this expenditure with their existing appropriation.

We have no basis to disagree with the Department of Motor Vehicles' assumptions regarding number of ATV/UTV vehicles and compliance with the provisions of LB 498. We disagree slightly with their estimate of cost in that we do not believe an expenditure for additional stickers will be necessary in FY2016-17.

IMPACT TO POLITICAL SUBDIVISIONS:

LB 498 will have the following aggregate fiscal impact to county funds, however we are unable to determine impact to individual counties:

FY2015-16: \$192,500
 FY2016-17: \$ 59,500

LB 498 as amended by AM413 (Revised) FISCAL NOTE

2015

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2015-2016		FY 2016-2017	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$ 6,000	\$ 27,500	\$ 1,000	\$ 8,500
FEDERAL FUNDS				
OTHER FUNDS		\$ 192,500		\$ 59,500
TOTAL FUNDS	\$ 6,000	\$ 220,000	\$ 1,000	\$ 68,000

Explanation of Estimate:

Expenditures

LB 498 as amended by AM413 provides for the registration of ATV/UTV vehicles through the VTR system. DMV estimates that there are in excess of 55,000 ATV/UTV vehicles that would be eligible for registration when LB 498 would become effective. Not all of these vehicles would be expected to register the first year however. It is estimated that one half or 27,500 would register the first year and additional numbers would gradually register in subsequent years following implementation. These would be in addition to the 8,500 vehicles would be registered annually. This will require minimal programming to the VTR system to accommodate the addition of ATV/UTV vehicles. Registration stickers will be required on an annual basis. An initial order of 60,000 stickers would be needed to allow distribution to all the counties. The stickers are estimated to cost \$.10/sticker resulting in an initial outlay of \$6,000 and \$1,000 in the following years. Both of these expenditures can be handled with existing appropriation.

Revenues

The bill provides for a \$8 registration fee with \$7 to the county of issuance and \$1 to DMV. Estimated annual revenues:

	Registrations	Fee	County Funds	DMV Cash Fund
First Year	27,500	\$ 8.00	\$ 192,500	\$27,500
Subsequent Years	8,500	\$ 8.00	\$ 59,500	\$ 8,500

MAJOR OBJECTS OF EXPENDITURE

POSITION TITLE	NUMBER OF POSITIONS		FY 2015-2016	FY 2016-2017
	15-16	16-17	EXPENDITURES	EXPENDITURES
Benefits				
Operating			\$ 6,000	\$ 1,000
Travel				
Capital Outlay				
Aid				
Capital Improvements				

Total

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\$ 6,000

\$ 1,000