

Updated for the 2014 Session. Includes any amendments adopted to-date.

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	3,652,275	3,739,479	6,941,543	7,053,543
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>3,652,275</b>	<b>3,739,479</b>	<b>6,941,543</b>	<b>7,053,543</b>

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

LB 362 eliminates the park entry permit for residents and replaces it with a \$7 registration fee on non-exempt motor vehicles and trailers. Non-residents would still be required to purchase a park entry permit. It is assumed that the bill will become operative on January 1, 2015.

**Game and Parks Commission impact:**

The estimated **net increase in revenue to the State Park Cash Revolving Fund in calendar years 2015 and 2016 will be \$6,814,434 and \$6,941,543 respectively.** On a fiscal year basis the net increase in revenue will be \$3,611,650 in FY2014-15, and \$6,941,543 in FY2015-16. This is based on the following assumptions provided by the Commission and appear reasonable.

The revenue loss to the State Park Cash Revolving Fund from the elimination of resident park entry permits is \$4,937,205 each calendar year. The estimated increase in revenue from the \$7 registration fee during this same time period is \$11,991,469. However, for 2015 only, 2% of this revenue will be deposited into the Department of Motor Vehicles Cash Fund to support implementation costs.

All of this additional funding will be spent on the State Park System per the statutory requirements on the use of the State Park Cash Revolving Fund. The Commission has indicated that the majority will be spent on capital improvements. Please see their attached fiscal note for details.

**Department of Motor Vehicles impact:**

The estimated **increase in revenue to the Department of Motor Vehicles Cash Fund in calendar year 2015 will be \$239,829.** On a fiscal year basis the net increase in revenue will be \$127,829 in FY2014-15, and \$112,000 in FY2015-16. This additional one-time revenue during calendar year 2015 is from the 2% diversion of money from the \$7 registration fee.

The bill states that this revenue shall be used for point-of-collection activities associated with implementing the new \$7 registration fee. The Department has estimated that their implementation costs will be \$40,625 in FY2014-15 to modify the Vehicle Titling and Registration (VTR) computer program. It is unclear in section 9 what is to happen to the \$199,204 not needed by the Department to meet their costs, since the language does not appear to allow the use of these funds for anything else.

**Political Subdivision impact:**

A request for a fiscal note was made to Lancaster County and Douglas County to get a sample of the potential impact on political subdivisions. A response was received from Douglas County that indicates a negligible to no fiscal impact. Once Lancaster County's response is received this fiscal note will be updated to include it. It is estimated that the cost for other counties to collect this new fee will also be negligible.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 371	AM:	AGENCY/POLT. SUB: Nebraska Game and Parks Commission
REVIEWED BY: Gary Bush	DATE: December 17, 2013	PHONE: 471-4161
COMMENTS: The Nebraska Game and Parks Commission estimate of the additional costs appear to be reasonable.		

Please complete ALL (5) blanks in the first three lines.

**2014**

**LB<sup>(1)</sup> 362** Change state park entry permit provisions and provide for a motor vehicle registration fee

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Douglas County

Prepared by: <sup>(3)</sup> Marcos San Martin, Douglas County Administration Date Prepared: <sup>(4)</sup> 12/11/2013 Phone: <sup>(5)</sup> 402.444.5116

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**Explanation of Estimate:**

UNKNOWN FISCAL IMPACT, HOWEVER, LIKELY A NEGLIGIBLE OR NO IMPACT TO COUNTY

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

Prepared by: Gary Ryken Date Prepared: 24-Dec-13 Phone: 471-3902 Fax: 471-9594  
 Email: gary.ryken@nebraska.gov

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2014-2015		FY 2015-2016	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$ 40,625	\$ 127,829		\$ 112,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$ 40,625	\$ 127,829	\$ -	\$ 112,000

Explanation of Estimate:

**This fiscal note assumes the implementation date is changed to January 1, 2015.**

LB 362 increases the motor vehicle registration fee by seven dollars (\$7) on certain vehicles and distributes 98% of the additional fee to the State Park Cash Revolving Fund and 2% to the DMV Cash Fund for the first calendar year. 100% of the additional fee is distributed to the State Park Cash Revolving Fund after the first calendar year.

Adding the additional fee will require modifications to the Vehicle Titling and Registration (VTR) computer system. The bill exempts certain vehicle types for the fee which totals approximately 455,322 vehicles not including commercial truck tractors, ambulances, hearses, and taxis which are not currently required to be identified separately in the database. It is estimated that 500 hours of programming and testing will be required to make the necessary changes to the system and database.

Computer Programming 500 hrs. @\$81.25/hr \$ 40,625

Revenues

LB 362 provides for the distribution of 2% of the \$7 fee to the DMV Cash Fund for calendar year 2015.

	Registrations	Fee	Total Collected CY2015	FY15	FY16
Total Estimated Revenue	1,713,067	\$ 7.00	\$ 11,991,469		
2% Distributed to DMV Cash Fund				\$ 127,829	\$ 112,000

MAJOR OBJECTS OF EXPENDITURE

POSITION TITLE	NUMBER OF POSITIONS		FY 2014-2015	FY 2015-2016
	14-15	15-16	EXPENDITURES	EXPENDITURES
Benefits				
Operating			\$ 40,625	
Travel				
Capital Outlay				
Aid				

Capital Improvements

Total

.....  
.....

\$ 40,625

\$ -

Please complete ALL (5) blanks in the first three lines.

**2014**

**LB<sup>(1)</sup> 362**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska Game and Parks Commission

Prepared by: <sup>(3)</sup> Patrick H. Cole

Date Prepared: <sup>(4)</sup> 11/22/2013

Phone: <sup>(5)</sup> 402-471-5523

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	<u>3,611,650</u>	<u>3,611,650</u>	<u>6,941,543</u>	<u>6,941,543</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>3,611,650</u>	<u>3,611,650</u>	<u>6,941,543</u>	<u>6,941,543</u>

**Explanation of Estimate:**

The proposed legislation would replace the current park entry permit system for Nebraska residents with a seven dollar fee for each non-exempt motor vehicle and trailer registration issued. Nonresidents, i.e. vehicles not registered in Nebraska, would still be subject to an annual or daily park entry permit purchase.

Park entry permit sales revenue for 2012 totaled \$5,529,930 (\$3,498,100 annual; \$822,500 duplicate annual; and \$1,209,330 daily). An exact amount attributable for nonresidents is unknown. Based on a data sample (30,408) from the permit system, it appears that approximately 3% of the Annual, 2% of Duplicate Annual permits and 38% of dailies are sold to nonresidents. Using these estimates and assuming no change in the current price structure, i.e. \$25 Annual, \$12.50 Duplicate Annual and \$5 Daily; approximately \$592,725 could still be derived from Park Entry Permit sales (nonresidents only).

The cost for producing 2013 park permits totaled \$36,331.25 (\$20,317.50 Annual; \$6,545 Duplicate Annual and \$9,468.75 for Daily). Since distribution of adequate numbers to potential sale sites is a factor, the amount of permits ordered is in excess of anticipated sales. To accommodate nonresident sales, and factor in impact of scale it is estimated that as much as \$10,000 may still need to be spent for sticker production unless Daily's were computer generated paper only, then cost could be closer to \$2,000. Any savings would be applied toward other operating expenses within the park system.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			<u>211,650</u>	<u>441,543</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....			<u>3,400,000</u>	<u>6,500,000</u>
TOTAL.....			<u>3,611,650</u>	<u>6,941,543</u>

Since the LB provides for some exemptions to the seven dollar fee for each certificate of registration for motor vehicles and trailers, the Department of Motor Vehicles (DMV) was contacted to obtain an estimate of the number of registrations affected. The chart on page 3 is based on 2012 registrations. A few of the exemptions were not readily identifiable in the current DMV categorizations so the numbers are somewhat inflated. Exemptions for “truck-tractors and semitrailers registered under section 60-3,150, ambulances and hearses registered under section 60-3152, and taxicabs registered under section 60-3,154” may need clarification for administrative purposes. For the other exemptions that were easily identifiable, the quantity is blank (and highlighted in yellow).

Based on the information provided by DMV, an estimated 1,713,067 vehicles and trailers could be subject to the fee each year with an expected \$11,991,469 in revenue. For the initial year, 2015, 2% or \$239,829 would be credited to the Department of Motor Vehicles Cash Fund and 98% or \$11,751,640 would be credited to the State Park Cash Revolving Fund. After 2015, the entire amount would be credited to the State Park Cash Fund.

Both vehicle registrations and park entry permit sales patterns indicate that 53.3% of activity occurs prior to June 30 and 46.7% after.

The following chart summarizes estimated NET changes in revenue (FY15 \$3,611,650 and FY 16 \$6,941,543):

	2012 QTY	PRICE	TOTAL ALL \$	NONRES est	2012 NR QTY est	Total NR \$	
Annual Park	139,924	\$ 25.00	\$ 3,498,100.00	3%	4,745	\$ 118,629.18	
Daily Park	241,866	\$ 5.00	\$ 1,209,330.00	38%	91,100	\$ 455,501.20	
Duplicate Park	65,800	\$ 12.50	\$ 822,500.00	2%	1,487	\$ 18,593.62	
	447,590		\$ 5,529,930.00			\$ 592,724.01	
CHANGE IN PARK PERMIT REVENUE = Total NR-TOTAL ALL 2015 est						\$ (4,937,205.99)	
						FY 15 (53%)	\$ (2,616,719.18)
						FY 16 (100%)	\$ (4,937,205.99)
VEHICLE REGISTRATIONS (est from DMV)							
	2012 QTY	PRICE	Total ALL \$	2015 DMV 2%	DMV Total	NET REV CHANGE (DMV + Park Permit)	
Registrations	1,713,067	\$ 7.00	\$ 11,991,469.00	\$ 239,829	\$11,751,640	\$6,814,434	2015
		FY 15 (53%)	\$ 6,355,478.57	\$ 127,110	\$6,228,369	\$3,611,650	FY 15 (53%)
		FY 16 (100%)	\$ 11,991,469.00	\$ 112,720	\$11,878,749	\$6,941,543	FY 16 (100%)

The anticipated increase in revenue would provide the Nebraska Game and Parks Commission increased capability to address a backlog of deferred maintenance needs within the State Park system (estimated needs over \$30 million), as well as address the needs of modifying and retrofitting many of the facilities to meet the Americans with Disabilities Act (ADA) requirements. Additionally some monies would be applied toward ongoing operational needs to include replacement of aging vehicles and equipment and addressing minor facility maintenance needs such as painting, carpet and furniture replacement. The following is the proposed “A-bill” request:

PROGRAM	FY 15	FY 16
901 Deferred Maintenance	\$2,400,000	\$3,500,000
549 Operational expenses	\$211,650	\$441,543
978 Facility Improvement for ADA	\$1,000,000	\$3,000,000
	\$3,611,650	\$6,941,543

<b>TOTAL "AFFECTED" VEHICLES REGISTERED IN 2012</b>		<b>1,713,067</b>	
Estimated number not exempt (based on DMV interpretation of LB 362)			
<b>PASSENGER</b>		<b>TRAILER</b>	
Regular	1,078,645	Utility	
Amateur Radio	1,258	Farm	72,448
Low Speed Vehicle	9	Fertilizer	22,329
Message	37,658	Commercial	
Spirit	2,303	Pole & Reel	335
Spirit Message	8,478	Non-Resident	227
Gold Star	48	Semi	
Gold Star Message	85	Message Utility	
Organizational	1,402	Spirit Message Utility	
Non-Resident		Organizational Utility	
Handicapped	7,372	Message Farm	5
Antique		Spirit Message Farm	2
Vintage		Message Commercial	
Ex-Prisoner of War (ex-pow)	44	Spirit Commercial	
Pearl Harbor Survivor	4	Spirit Message Commercial	
Disabled American Veteran	1,211	Organizational Commercial	
Purple Heart	916	Spirit Message Pole & Reel	1
Thirty Day	61	Message Semi	
TOTAL	1,139,494	Spirit Message Semi	
<b>MOBILE HOME</b>		<b>Apportioned Trailer Units</b>	
Recreational	34,183	TOTAL	95,347
Self-Propelled	7,374	<b>DEALER</b>	
Message Recreational	93	Passenger	10,563
Message Self-Propelled	167	Personal Use	343
Spirit Self-Propelled	8	Motorcycle	381
Spirit Message Recreational	8	Trailer	552
Spirit Message Self-Propelled	35	Snowmobile	
Organizational Recreational	1	Boat Dealer Trailer	87
Organizational Self-Propelled	1	Repossession	70
TOTAL	41,870	Transporter	1,967
<b>BUS</b>		<b>TOTAL</b>	
Non-Commercial	2,033	13,963	
School		<b>TRUCK</b>	
Commercial	656	Commercial	349,791
Non-Resident	78	Farm	
Local	72	Non-Resident Commercial	1,185
Organizational Commercial	1	Local	
TOTAL	2,840	Minitruck	158
<b>GOVERNMENT</b>		Message Commercial	10,446
Municipal		Spirit Commercial	604
County		Spirit Message Commercial	2,351
State		Gold Star Commercial	15
School District		Gold Star Message Commercial	17
Municipal Motorcycle		Organizational Commercial	221
County Motorcycle		Message Farm	
State Motorcycle		Spirit Farm	
TOTAL	0	Spirit Message Farm	
<b>MOTORCYCLE</b>		Gold Star Farm	
Regular	51,928	Gold Star Message Farm	
Non-Resident		Organizational Farm	
Message	2,340	Special Mobile Equipment (SME)	
Spirit	8	Soil & Water	
Spirit Message	155	Farm Semi - Tractor/Trailer	
Gold Star	5	10% Reduction	221
Gold Star Message	11	Film Vehicle	41
Organizational	5	Apportioned Power Units	
Antique		TOTAL	365,050
Handicapped	51	<b>TAX EXEMPT</b>	
Vintage		<b>TOTAL</b>	
TOTAL	54,503	<b>SNOWMOBILE</b>	
		<b>TOTAL</b>	

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

Prepared by: Gary Ryken Date Prepared: 24-Dec-13 Phone: 471-3902 Fax: 471-9594  
 Email: gary.ryken@nebraska.gov

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Operating			\$ 40,625	
Travel				
Capital Outlay				
Aid				



Capital Improvements

Total

.....  
.....

\$ 40,625

\$ -