Sandy Sostad January 22, 2018 471-0054

LB 740

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	8-19	FY 2019-20					
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE					
GENERAL FUNDS								
CASH FUNDS	\$4,513							
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS	\$4,513							

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

LB 740 allows metropolitan utilities districts to have permanently issued license plates for their motor vehicles and trailers beginning on January 1, 2019. The bill authorizes the Department of Motor Vehicles (DMV) to issue a distinctive metropolitan utilities district license plate. Applicants for metropolitan utilities district plates pay the regular \$3.50 fee per plate. The bill does not change registration fees for these vehicles and trailers.

<u>Expenditures</u>: The DMV will have one-time estimated cash fund expenditures of \$4,513 in FY19 for computer programming for the Vehicle Title Registration System to reflect the new metropolitan utilities district plates.

<u>Sales Tax Revenue for Municipalities</u>: The Department of Revenue indicates the bill may result in a change in the amount of sales tax revenue collected on motor vehicles in some municipalities. The amount of sales tax paid is based upon the place that a vehicle is registered. So, municipalities which levy a local sales tax within the metropolitan utility district may gain or lose revenue depending upon the existing tax situs of a motor vehicle and the site where vehicles are registered pursuant to the bill.

ADMINSTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 740	AM:	AGENCY/POLT. SUB: Departr	nent of Motor Vehicles			
REVIEWED BY	1: Lee Will	DATE: 01/19/2018	PHONE: (402) 471-4175			
COMMENTS: The Department of Motor Vehicles' assessment of fiscal impact seems reasonable given the assumptions used.						

Fiscal Note 2018

State Agency Estimate								
State Agency Name: Department of Revenue Date Due LFA: 1/29/2018								
Approved by: Tony Fulton Date Prepared: 1/26/2018 Phone: 471-5896								
FY 2018-2019 FY 2019-2020 FY 2020-2021								
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds								
Cash Funds					_			
Federal Funds								
Other Funds								
Total Funds								

LB 740 would amend several sections of the Motor Vehicle Registration Act to allow Metropolitan Utilities District (MUD) trucks to have a separate plate and register all its trucks at the principal place of business of MUD.

It is estimated that this bill will have no impact on General Fund revenues. Because sales tax situs is based upon place of registration, this bill may result in some gains and losses to municipalities levying a local sales tax within MUD's operating area.

It is estimated that there will be no costs to the Department to implement this bill.

The operative date is January 1, 2019.

Major Objects of Expenditure									
<u>Class Code</u>	Classification Title	18-19 <u>FTE</u>	19-20 <u>FTE</u>	20-21 <u>FTE</u>	18-19 <u>Expenditures</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>		
Benefits	Benefits								
Operating Costs									
Travel									
	nts								
Total		•••••							

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾	740							FISCAL NOTE
State Agency OR Political Subdivision Name: ⁽²⁾			Department of Motor Vehicles					
Prepared by: ⁽³⁾ Bart Moore		Dat	te Prepared: ⁽⁴⁾	1/18/2018	Phone: ⁽⁵⁾	402-471-3902		
		ES	STIMATE PROVID	DED BY	STATE AGENO	Y OR POLITICA		ON
			EV 1	2018-19)		FY 2019	2-20
			EXPENDITURES	2010-17	<u>REVENUE</u>	<u>EXPENDI</u>		REVENUE
GENER	RAL FUN	DS		_				
CASH F	UNDS		4,513					
FEDER	AL FUN	DS						
OTHER	R FUNDS							
τοται	_ FUNDS							

Explanation of Estimate:

LB 740 allows qualified Metropolitan Utility Districts to apply for permanent vehicle and trailer license plates. Creating a new plate type will require modifications to the Vehicle Titling and Registration computer system. An estimated 50 hours of programming will be required to make the changes.

Computer Programming (OCIO) 50 hours at \$90.25/hr = \$4,513

BREAKD	<u>OWN BY MAJ</u>	<u>OR OBJECTS O</u>	<u>F EXPENDITURE</u>	
Personal Services:				
	NUMBER OF	POSITIONS	2018-19	2019-20
POSITION TITLE	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
		·		
Benefits				
Operating			4,513	
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				