

Revised based on amendments adopted through 1/29/10.

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2010-11</b>		<b>FY 2011-12</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		See below		See below
CASH FUNDS	38,000	See below		See below
FEDERAL FUNDS				
OTHER FUNDS		See below		See below
TOTAL FUNDS	38,000			

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 650, as amended, provides a definition for a “minitruck” and requires them to be titled, registered and insured as motor vehicles are. Minitrucks are banned from operation on the Interstate, expressways and freeways. LB 650 also requires utility-type vehicles (UTV) to be titled and amends statutes to treat them similar to ATVs.

Department of Roads Impact - The expenditure related fiscal impact identified is to update signage posted on controlled-access highways to indicate the prohibition of the operation of minitrucks. The department has estimated this one-time cost to be \$20,000 cash funds (\$84 per sign for 240 signs). Note that the department’s cash fund does receive revenue from registration fees and the motor vehicle sales tax which will offset the cash fund expenditure to some degree depending on how many vehicles are purchased and registered.

Department of Motor Vehicles Impact - The department has identified a one-time cash fund cost of \$18,000 for reprogramming the Vehicle, Titling and Registration System, the Plate Management System, and the Specialty Plate System. They estimate 240 hours of programming at \$75/hour. Note that the department’s cash fund does receive \$4.00 from each title fee which will offset the cash fund expenditure to some degree depending on how many titles are issued.

In terms of a revenue impact, requiring minitrucks to be titled and registered and requiring UTVs to be titled will increase revenue from title and registration fees as well as from the collection of sales tax when they are registered. Revenue from these sources flow to several different funds at both the political subdivision and the state level (see below for an explanation of the fee distribution). Any revenue collected is estimated to be relatively minor due to the assumed low number of these vehicles.

**Fee Distribution:**

Title fees are \$10 - (distributed \$3.25 to the county, \$4.00 to DMV, \$2.00 to the General Fund, \$.20 to the Motor Vehicle Fraud Cash Fund, and \$.55 to Nebraska State Patrol Cash Fund).

Registration fees are \$15.00 – (distributed 53.3% to Roads and 46.7% to cities and counties).

Motor vehicle tax is \$50 (base rate) – (1% retained by county with the remainder distributed 22% to the county, 60% to local schools, and 18% to cities).

Motor vehicle fee is \$10 (base fee) – (1% retained by county with the remainder distributed 50% to counties and 50% to cities).

Sales tax is 5.5% of value – (Amount from 5% rate is distributed 53.3% to Roads and 46.7% to cities and counties. Amount from .5% rate is distributed 100% to cities and counties). Vehicles purchased in a city with a local sales tax will increase revenue for that city.