

**HF2053 - 0 - "Driveway In-Transit Lic Restrictions"**

Chief Author: **Tama Theis**  
 Committee: **Transportation Policy and Finance**  
 Date Completed: **03/23/2015**  
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue	X	
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
Highway Users Tax Distribution	-	35	35	35	35	35
Restrict Misc. Special Revenue	-	35	35	35	35	35
<b>Total</b>	-	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>
<b>Biennial Total</b>			<b>140</b>			<b>140</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Highway Users Tax Distribution	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Paul Moore      Date: 3/23/2015 1:36:36 PM  
 Phone: 651 259-3776      Email paul.b.moore@state.mn.us

### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Highway Users Tax Distribution	-	35	35	35	35	35
Restrict Misc. Special Revenue	-	35	35	35	35	35
<b>Total</b>	<b>-</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>
<b>Biennial Total</b>			<b>140</b>			<b>140</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Highway Users Tax Distribution	-	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>-</b>			<b>-</b>
<b>2 - Revenues, Transfers In*</b>						
Highway Users Tax Distribution	-	(35)	(35)	(35)	(35)	(35)
Restrict Misc. Special Revenue	-	(35)	(35)	(35)	(35)	(35)
<b>Total</b>	<b>-</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>
<b>Biennial Total</b>			<b>(140)</b>			<b>(140)</b>

### Bill Description

HF 2053 modifies Chapter 168.053 that would restrict the Minnesota Drive Away In-Transit plate to Minnesota based businesses and removes the restriction that the plate is not valid outside the state of Minnesota.

### Assumptions

Assume an effective date of August 1, 2015.

Assume 140 out of state based Drive Away In-Transit licensees will no longer be authorized to provide the Minnesota Drive Away In-Transit license plate.

Assume a reduction of 5,250 plates each year.

Assume an annual \$250 In-Transit Driveway license fee (HUTD fund)

Assume a loss of \$6 filing fee on each plate renewal 5,250 plates issued per year (Misc. Special Revenue Fund/\$4.50 VSOA/\$1.50 Technology account)

Assume a loss of revenue of \$35,000 to HUTD (140 x \$250 = \$35,000).

Assume a loss of revenue to Misc. Special Revenue Fund of \$31,500 (5,250 x \$4.50 to VSOA; 5,250 x \$1.50 Technology account)

Assume a loss in revenue of \$3,500 to the Misc. Special Revenue Account (140 x \$25 = \$3,500 Electronic Licensing System Account fund)

### Expenditure and/or Revenue Formula

Revenue (Loss):

Loss of Drive Away In-Transit license fee \$35,000 Highway User Tax Distribution Fund

Loss of filing fee \$35,000 (\$23,625 VSOA; \$7,875 Technology Fund; \$3,500 ELSA) Misc. Special Revenue Fund

### **Long-Term Fiscal Considerations**

The DVS budget is fee-based and must cover the cost of business through the fees collected. Any increase in expenses may require increasing fees.

### **Local Fiscal Impact**

### **References/Sources**

**Agency Contact:** Pat McCormack 651-201-7580

**Agency Fiscal Note Coordinator Signature:** Larry Freund

**Phone:** 651 201-7050

**Date:** 3/23/2015 12:49:43 PM

**Email:** Larry.Freund@state.mn.us