

HF1876 - 0 - "Vehicle Reg Info Trade Assn; Fee Waived"

Chief Author: ~~Chris Swedenski~~
 Committee: **Transportation Finance**
 Date Completed: **03/08/2018**
 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	FY2017	FY2018	FY2019	FY2020
General Fund	-	-	35	38	42
Restrict Misc. Special Revenue	-	-	205	21	24
Total	-	-	240	59	66
Biennial Total			240		125

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

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: Laura Logsdon Date: 3/8/2018 1:47:40 PM
 Phone: 651 201-8020 Email: laura.logsdon@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.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021	
General Fund	-	-	35	38	42	
Restrict Misc. Special Revenue	-	-	205	21	24	
Total	-	-	240	59	66	
			240		125	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	-	-	
Restrict Misc. Special Revenue	-	-	186	-	-	
Total	-	-	186	-	-	
			186		-	
2 - Revenues, Transfers In*						
General Fund	-	-	(35)	(38)	(42)	
Restrict Misc. Special Revenue	-	-	(19)	(21)	(24)	
Total	-	-	(54)	(59)	(66)	
			(54)		(125)	

Bill Description

Section 1: Amends MS 13.6905 (coding of public safety data) to indicate use of vehicle registration data being governed under MS 168.345 (information of owners of leased auto as private data except when provided to law enforcement).

Section 2: Exempts trade associations from paying for vehicle registration records when providing information to members as related to violations of MS 604.15, subdivision 2 (drive off without paying for gasoline).

Section 3: Allows the aforementioned trade associations to access vehicle lessee information.

Assumptions

Assumes an effective date of August 1, 2018 would not allow sufficient time to program new functionality in MNLARS. The earliest date this programming could be completed is July 1, 2019.

Assumes a current cost of \$5.00 for each electronic request from trade associations for vehicle registration information with \$2.70 deposited to the general fund, a \$0.50 surcharge deposited to the general fund, and \$1.80 deposited to the vehicle services operating account in the special revenue fund under section 299A.705.

Assumes approximately 8,945 trade association queries were made in FY17. Estimated 10,823 queries in FY19, 11,906 in FY20 and 13,096 in FY21.

Assumes 1,486 programming hours (297 planning hours, 372 design hours, 594 build hours, 223 deployment/testing hours) to create a new per-query lookup function in MNLARS for the trade associations that would be exempt from the fees.

Expenditure and/or Revenue Formula

FY19 Revenue Loss

General Fund:

$$\$2.70 \text{ fee} + \$0.50 \text{ surcharge} = \$3.20 \times 10,823 \text{ queries} = (\$34,633.60)$$

Vehicle Services Special Revenue Fund:

\$1.80 fee x 10,823 queries = (\$19,481.40)

FY20 Revenue Loss

General Fund:

\$2.70 fee + \$.50 surcharge = \$3.20 x 11,906 queries = (\$38,099.20)

Vehicle Services Special Revenue Fund:

\$1.80 fee x 11,906 queries = (\$21,430.80)

FY21 Revenue Loss

General Fund:

\$2.70 fee + \$.50 surcharge = \$3.20 x 13,096 queries = (\$41,907.20)

Vehicle Services Special Revenue Fund:

\$1.80 fee x 13,096 queries = (\$23,572.80)

FY19 Expenditures

MNLARS Programming costs 1,486 x \$125/hour = \$185,750

Long-Term Fiscal Considerations

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

Local Fiscal Impact

References/Sources

Agency Contact: Dawn Olson (651-201-7580)

Agency Fiscal Note Coordinator Signature: Larry Freund

Phone: 651 201-7050

Date: 2/26/2018 2:11:19 PM

Email: Larry.Freund@state.mn.us

