

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 173
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB173-DOA-DMV-04-03-15
Title: REGISTRATION OF LEASED VEHICLES
Sponsor: KREISS-TOMKINS
Requester: House State Affairs

Department: Department of Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	(223.7)		***	***	***	***	***
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Estimated SUPPLEMENTAL (FY2015) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable. Initial version.

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Agency: Department of Administration

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Date: 04/03/2015 11:45 AM
Date: 04/03/15

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB 173

Analysis

<p>HB 173 will allow a person who leases a motor vehicle under 10,000 lbs to register that vehicle as non-commercial and pay a registration fee of \$100. Currently they are required to register the vehicle as commercial and pay a registration fee based on the weight of the vehicle . This fee ranges from \$180 - \$268.</p> <p>Current Revenue There are 3,928 registered leased vehicles. Of those, 2,415 weigh less than 5,000 lbs and have a registration fee of \$180. 1,513 of them are between 5,000 - 10,000 lbs and pay \$268.</p> <p>2,415 at \$180 = \$434,700 <u>1,513 at \$268 = \$405,484</u> 3,928 vehicles = \$840,184 (per two yr registration cycle)*</p> <p>*Due to the two year registration cycle the total amount of revenue collected is divided by two . Therefore the total amount collected per fiscal year is \$420,092.</p> <p>Revenue under HB 173 2,415 at \$100 = \$241,500 <u>1,513 at \$100 = \$151,300</u> 3,928 vehicles = \$392,800 (per two yr registration cycle)*</p> <p>*Due to the two year registration cycle the total amount of revenue collected is divided by two. Therefore the total amount collected per fiscal year is \$196,400.</p> <p>Yearly revenue loss</p> <p>\$420,092 - \$196,400 = \$223,692.</p> <p>Future revenue losses are indeterminate as we are unable to estimate how many people will decide to lease cars in the future. Additionally, non-commercial vehicles that reside in communities that allow permanent registration will become eligible for permanent registration after they reach eight years of age.</p>
