

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number _____
Bill Version HB010M (TRA)
() Publish Date _____

Identifier (file name) HB010-TRA-DOA-DMV-02-04-11 Dept. Affected Administration
Title Non-commercial trailer registration fee Appropriation Motor Vehicles
Allocation Motor Vehicles
Sponsor Rep. STOLTZE, KELLER
Requester H (TRA) OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

| | Appropriation Required | Information | | | | | |
|------------------------|---------------------------|-------------|------------|------------|------------|------------|------------|
| OPERATING EXPENDITURES | FY 2012 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | 48.9 | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants | | | | | | | |
| Miscellaneous | | | | | | | |
| TOTAL OPERATING | 0.0 | 48.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|

| | | | | | | | | |
|---------------------------|--|--|---------|---------|---------|---------|---------|---------|
| CHANGE IN REVENUES | | | 1,197.0 | 1,197.0 | (138.0) | (138.0) | (138.0) | (138.0) |
|---------------------------|--|--|---------|---------|---------|---------|---------|---------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | | |
|--------------------------|------------|-------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | | |
| 1003 GF Match | | | | | | | |
| 1004 GF | | 48.9 | | | | | |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other (please identify) | | | | | | | |
| TOTAL | 0.0 | 48.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2011) cost 0.0

POSITIONS

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by Whitney Brewster
Division Motor Vehicles
Approved by John Cramer
Department of Administration

Phone 907-269-5574
Date/Time 2/4/11 4:00 PM
Date 2/4/2011

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BILL NO. HB 10

Analysis

Expenditures

The database for Division of Motor Vehicles (DMV) will need reprogramming to allow for permanent registration on non-commercial trailers.

Estimated hours: 300

Cost per hour: \$143

Total programming cost: $300 \times \$143 = \$48,900$.

Revenues

Assumptions:

The newer the trailer, the likelier it will be that owners will opt for permanent registration as there is a greater likelihood the trailer will last long enough to recover the extra cost of the permanent registration.

Currently registered non-commercial trailers

15,000 trailers 1-3 years old; registrations on half will expire in 2012 and half in 2013

50% of owners will elect permanent registration on trailers 1-3 years old

96,000 trailers older than 3 years; registrations on half will expire in 2012 and half in 2013

20% of owners will elect permanent registration on trailers older than 3 years

New trailers

5,000 new trailers are registered each year

75% of owners will elect permanent registration

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|---------|---------|--------|--------|--------|--------|
| Current: trailers 1-3 yrs old | | | | | | |
| 3750 opt perm reg ($15000/2 \times 50\% = 3750$) | | | | | | |
| Perm Fees ($3750 \times \$100$) | 375.0 | 375.0 | | | | |
| Biennial Fees ($3750 \times \$30$) | -112.5 | -112.5 | -112.5 | -112.5 | -125.5 | -112.5 |
| Current: trailers older than 3 yrs | | | | | | |
| 9600 opt perm reg ($96000/2 \times 20\% = 9600$) | | | | | | |
| Perm Fees ($9600 \times \$100$) | 960.0 | 960.0 | | | | |
| Loss of Biennial Fees ($9600 \times \$30$) | -288.0 | -288.0 | -288.0 | -288.0 | -288.0 | -288.0 |
| New trailers | | | | | | |
| 3750 opt perm reg ($5,000 \times 75\% = 3750$) | | | | | | |
| Perm Fees ($3750 \times \$100$) | 375.0 | 375.0 | 375.0 | 375.0 | 375.0 | 375.0 |
| Loss of Biennial Fees ($3750 \times \$30$) | -112.5 | -112.5 | -112.5 | -112.5 | -112.5 | -112.5 |
| TOTAL CHANGE IN REVENUES | 1,197.0 | 1,197.0 | -138.0 | -138.0 | -138.0 | -138.0 |

The DMV collects Motor Vehicle Registration Tax (MVRT) for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaska, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. The collection cost revenue will increase by an indeterminate amount in FY12 and FY13, but will decrease by an indeterminate amount in all years after FY2013.