

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 1
 Bill Version CSHB 10(TRA)
 (H) Publish Date 3/16/11

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					
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES							
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							
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CHANGE IN REVENUES		1,197.0	1,197.0	(138.0)	(138.0)	(138.0)	(138.0)
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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

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

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BILL NO. CSHB 10(TRA)

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 x \$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 (15000/2x50%=3750)						
Perm Fees (3750 x \$100)	375.0	375.0				
Biennial Fees (3750 x \$30)	-112.5	-112.5	-112.5	-112.5	-125.5	-112.5
Current: trailers older than 3 yrs						
9600 opt perm reg (96000/2x20%=9600)						
Perm Fees (9600x\$100)	960.0	960.0				
Loss of Biennial Fees (9600x\$30)	-288.0	-288.0	-288.0	-288.0	-288.0	-288.0
New trailers						
3750 opt perm reg (5,000x75%=3750)						
Perm Fees (3750x\$100)	375.0	375.0	375.0	375.0	375.0	375.0
Loss of Biennial Fees (3750x\$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.