

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SB 141
Fiscal Note Number: 1
(S) Publish Date: 3/5/14

Identifier: SB141-DOA-DMV-02-21-2014
Title: NATIONAL GUARD ID & VEHICLE FEES
Sponsor: WIELECHOWSKI
Requester: Senate 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)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services							
Travel							
Services	11.4						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	11.4	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1005 GF/Prgm	11.4						
Total	11.4	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	(200.0)		(200.0)	(200.0)	(200.0)	(200.0)	(200.0)
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) 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? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/16**

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division: <u>Motor Vehicles</u>	Date: <u>02/21/2014 10:09 AM</u>
Approved By: <u>Curtis Thayer, Commissioner</u>	Date: <u>02/21/14</u>
Agency: <u>Department of Administration</u>	

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SB 141

Analysis

This bill will entitle current members of the Alaska National Guard free vehicle registration for a passenger vehicle or motorcycle.

Assumptions

There are approximately 4,000 members in the Alaska National Guard. The yearly growth rate of new Alaska National Guard members is unknown and the number of members who use a motorcycle as a primary vehicle is also unknown. For the purposes of estimating loss of revenue DMV assumes each current Alaska National Guard member owns a motor vehicle and any motorcycle would be a secondary vehicle. Therefore, DMV assumes there will be 4,000 vehicles eligible for a registration fee exemption.

Programming Costs:

The DMV ALVIN database will require programming to add a field to identify the motor vehicles or motorcycles registered to Alaska National Guard members and allow us to account for the fee exemption waiver.

Estimated contract hours: 80

Cost per hour: \$143

Total contact cost: \$11,440

Revenue loss

\$100 - biennial vehicle registration fee

4,000 - current Alaska National Guard members

$\$100 \times 4,000 = \$400,000$ loss of revenue (\$200,000 per fiscal year)

Vehicles are registered every two years (biennially). DMV expects half of all Alaska National Guard members to renew in each subsequent fiscal year resulting in a loss of \$200,000 per fiscal year. This loss does not factor in a yearly growth rate of members in the Alaska National Guard.