

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSHB 319(FIN)
Fiscal Note Number:	2
(H) Publish Date:	4/6/2016

Identifier: HB319-DOA-DMV-03-31-16
Title: SNOWMOBILE REGISTRATION FEES
Sponsor: TILTON
Requester: House Finance

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)

	FY2017	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2017 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
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	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues	148.0		148.0	148.0	148.0	148.0	148.0	148.0
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) 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If yes, by what date are the regulations to be adopted, amended or repealed?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:

Updated to include snowmobile registration numbers as of March 8, 2016 and the revenue that would be generated from this bill.

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Agency: Department of Administration

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Date: 03/31/2016 01:35 PM
Date: 03/31/16

**REPORTED OUT OF
HFC 04/06/2016**

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

Analysis

HB 319 increases the two-year snowmobile registration fee from \$10 to \$20, removes the four-year registration option and increases the six-year registration fee from \$30 to \$50.

Revenue

In FY2016 the Department of Natural Resources had authority to receive \$250,000 in snowmobile fees collected by DMV. In FY2015, that actual receipts collected by DMV was \$198,200. If DMV collects fees in excess of the amount authorized to DNR, those fees will lapse into the state's General Fund.

Number of registered snowmobiles as of March 8, 2016

Two-year: 25,321

Four-year: 7,691

Six-year: 6,538

At \$10, two-year registrations would generate: $25,321 \times \$10 = \$253,210$ divided by 2 = \$126,605*

At \$20, two-year registrations would generate: $25,321 \times \$20 = \$506,420$ divided by 2 = \$253,210*

This would increase the revenue collected in the next fiscal year by \$126,605.

At \$30, six-year registrations would generate: $6,538 \times \$30 = \$196,140$ divided by 6 = \$32,690^

At \$50, six-year registrations would generate: $6,538 \times \$50 = \$326,900$ divided by 6 = \$54,483^

This would increase the revenue collected in the next fiscal year by \$21,793.

The number of four-year registrations that will move to two or six-year registration is unknown therefore the revenue cannot be determined.

Cost to DMV

DMV must create new fee and vehicle codes. The DMV IT will complete the programming in-house, however it is a time consuming process, and will require approximately 10 to 12 weeks. DMV will need sufficient lead time to create the codes and conduct system testing before the new registration fees and class codes go live.

DMV IT will complete the programming changes. Therefore, a zero fiscal note is submitted.

*The yearly revenue is divided by 2 to reflect the annualized fee for a 2 year registration.

^The yearly revenue is divided by 6 to reflect the annualized fee for a 6 year registration.