

FISCAL ESTIMATE FORM

1999 Session

LRB # 99 LRB-3109/2

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

INTRODUCTION # 1999 AB 667

Admin. Rule #

Subject
the transfer of an interest in a motor vehicle

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.395(5)(cq); 20.395(4)(aq)

Assumptions Used in Arriving at Fiscal Estimate:

This bill requires DOT to attach a notice of transfer with each vehicle title it issues, which the vehicle seller may detach, fill out, and forward to DMV within two days of sale. The "seller notification" form contains the name and address of the seller, name and address of the buyer, date of sale, and sale price, and is to be signed by the seller. The seller notification requirement applies to all vehicle transfers. However, notification to DMV is voluntary in that DMV may not refuse to issue a new title to the vehicle purchaser if the seller has failed to submit a seller notification to DMV.

One-time costs: Significant modifications to the data processing system would be required. This includes creating data elements; modifying several title/registration sub-systems to recognize the new data elements; and showing this information on inquiry screens. Also, title print would be modified to pre-print vehicle and owner information on the detachable seller notification form. Data processing work is estimated to require 315 days at a cost of \$181,800. Other one-time cost of \$202,800 is required to equip the added positions. Total one-time cost is \$384,600.

Volume: We believe that most notifications would come from people who sell their vehicles privately (not through a dealer), because historically most problems with the purchaser not titling the vehicle have occurred in private sales. Because all currently issued titles will not have a tear-off portion, we assume that a "seller notification form" will also be available from DMV. Thus, for full program level, this estimate assumes that all private sales and 5% of dealer sales represents the number of people who would use the seller notification process. Based on 1999 title transactions, this number would be about 600,000 notifications per year.

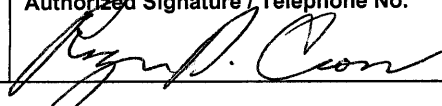
Annual costs: Based on our staffing study, we estimate a volume of 600,000 notifications per year would require 24.3 FTE permanent positions for mail opening and information processing, for an annual cost of \$752,900 salary and fringe benefits. Other annual ongoing costs of \$121,200 reflect staff support costs, added forms cost, and added postage costs.

Long-Range Fiscal Implications:

This estimate assumes DOT could actually undertake DP work. However, DOT's DP staff is extremely limited; and some enacted legislation cannot currently be implemented. This project would redirect staff committed to DP system redesign and other project areas, resulting in further delay in those areas.

Prepared By: / Phone # / Agency Name
Carson P. Frazier / 266-7857 / Transportation

Authorized Signature / Telephone No.



266-2233

Date
2/1/00

Handwritten note:
Frazier
2/2/00

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99 LRB-3109/2

Admin. Rule #

INTRODUCTION # 1999 AB 667

Subject
transfer of interest in a motor vehicle

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
One-time cost of \$384,600: \$181,800 for DP modifications plus \$202,800 to equip added positions

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$ 752,900	\$ -
(FTE Position Changes)		(24.3 FTE)	(- FTE)
State Operations - Other Costs		121,200	-
Local Assistance			-
Aids to Individuals or Organizations			-
TOTAL State Costs by Category		\$ 874,100	\$ -
B. State Costs by Source of Funds			
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S		874,100	-
III. State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		Increased Rev.	Decreased Rev.
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$	\$ -


NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$874,100 \$ _____

NET CHANGE IN REVENUES \$ _____ \$ _____

Prepared By: / Phone # / Agency Name Carson P. Frazier / 266-7857 / Transportation	Authorized Signature/Telephone No.  266-2233	Date 2/1/00
---	---	----------------