

### Fiscal Estimate - 2001 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>01-2630/2</b>	<b>Introduction Number</b> <b>AB-458</b>
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**Subject**  
 Title branding for hail-damaged motor vehicles

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> DOT/ Loralee Brumund (608) 267-3622	<b>Authorized Signature</b> Carol Buckmaster (608) 267-6979	<b>Date</b> 7/25/01
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**Fiscal Estimate Narratives**  
**DOT 7/25/01**

LRB Number <b>01-2630/2</b>	Introduction Number <b>AB-458</b>	Estimate Type <b>Original</b>
<b>Subject</b> Title branding for hail-damaged motor vehicles		

**Assumptions Used in Arriving at Fiscal Estimate**

**ASSUMPTIONS FOR HAIL-DAMAGED VEHICLES**

New Definition: AB 458 creates a new definition in s.340.01(20m), Wis.Stats., for a "hail-damaged" vehicle that can be registered and titled and that has "been damaged by hail to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeds 70% of its fair market value". Hail-damaged vehicles as defined in AB 458 would not be included in the definition of "salvage vehicle" as defines in s.340.01(55g), Wis.Stats., and thus would be exempt from inspection similar to a salvage vehicle inspection even if the vehicle owner or a subsequent owner decides to repair the vehicle.

Current law: Current Wisconsin law, s.340.01(55g), Wis.Stats., defines a "salvage vehicle" as a vehicle "less than 7 years old that is not precluded from subsequent registration and titling and which is damaged by collision or other occurrence to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeds 70% of its fair market value". Registration and titling for a repaired salvage vehicle (ref. s.342.065 and s.342.07, Wis.Stats.) requires an inspection by a DOT-authorized inspector 1) to determine if the required salvage vehicle is the same vehicle for which the original title was submitted, 2) to verify the source and ownership of the major components used to recondition the vehicle, and 3) to determine whether the repaired vehicle is in compliance with safety equipment requirements. If the salvage vehicle passes the inspection, a new certificate of title is issued for the vehicle that permanently records the fact that the vehicle was previously a salvage vehicle. The intent of this section of Chapter 342 is to ensure the accurate branding of a vehicle for current and any subsequent vehicle owners by identifying the vehicle as having been previously significantly damaged, and to prevent the use of stolen or illegal parts in the repair of the vehicle.

Private inspections: AB 458 also creates s.342.07(2m), Wis.Stats., which would permit DOT to contract with a private individual or agency, instead of using only a DOT-authorized inspector, to examine a repaired salvage vehicle in two of the three required areas: to verify the source and ownership of the major parts or components used to recondition the vehicle and to determine whether the repaired vehicle is in compliance with safety requirements. Note that administrative rule Trans 149.03(2)(a) stipulates that the DOT-authorized inspector shall be a Wisconsin law enforcement officer or full-time employee of the department of transportation."

continued on next pages...

**Long-Range Fiscal Implications**

unknown

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated     
  Corrected     
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<b>LRB Number</b> 01-2630/2	<b>Introduction Number</b> AB-458	
<b>Subject</b>		
Title branding for hail-damaged motor vehicles		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
\$65,780 DMV dataprocessing costs for "hail-damaged vehicle" title \$119,440 DMV dataprocessing costs for identification of private inspectors		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$88,500	
(FTE Position Changes)	(1.0 FTE)	
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$88,500</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S	88,500	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$88,500	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
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