

Fiscal Estimate Narratives

DNR 02/01/2002

LRB Number 01-2702/4	Introduction Number AB-727	Estimate Type Original
Subject Operation of a snowmobile before registration		

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary: This bill allows a person, upon transfer of ownership of a snowmobile, to operate the snowmobile for a period of up to 45 days without a registration certificate issued in their name. This exception is granted when neither a registration receipt (validation) nor a registration certificate has been issued, and if the person carries the original certificate or a copy of the registration certificate on their person.

Fiscal Estimate: There is a concern that when the public is allowed an unmonitored grace period to cover ownership changes, snowmobile registrations may become the object of multiple transfers in an attempt to avoid registration and taxation fees.

The Department is unable to estimate the fiscal effect of this bill. However, it is assumed that there will be a decrease in existing revenues. Currently, there are 219,000 snowmobiles registered annually at \$30 per registration. The Department annually administers 31,000 transfers at \$5 per transfer.

The Department is unable to estimate the time spent on violations related to the transfer of registration certification. However, it is assumed there would be an increase in time spent enforcing any violations. Law enforcement typically contacts 3% (or 15,000) of the 500,000 snowmobilers in this state. For every 1% of those contacted who avoid registration, there would be 150 persons receiving citations x 1.50 hours per citation including court time, which equals approximately 225 hours of warden effort. The time needed to carry out this proposal would be absorbed by the Department and would come from a redirection of current snowmobile enforcement activities.

The impacts on local units of government would be similar. They may experience a reduction in snowmobile revenues as a result of reduced revenues at the state level. In addition, there may be somewhat more enforcement required from them as a result of registration violations. Neither of these effects is expected to be significant, and cannot be estimated more precisely.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Operation of a snowmobile before registration			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
Unable to fully estimate the fiscal impact			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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