

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-0505/1	Introduction Number AB-29
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Subject
 Registration and special plates for trailers owned by volunteer fire departments

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> 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 checked="" 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:

<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> 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	5. Types of Local Government Units Affected <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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Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.395(5)(cq)	

Agency/Prepared By DOT/ Carson Frazier (608) 266-7857	Authorized Signature Carol Buckmaster (608) 267-6979	Date 2/10/2005
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Fiscal Estimate Narratives

DOT 2/10/2005

LRB Number	05-0505/1	Introduction Number	AB-29	Estimate Type	Original
Subject					
Registration and special plates for trailers owned by volunteer fire departments					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a fire truck owned and operated exclusively by an incorporated volunteer fire department receives a special reduced registration fee of \$5 for 5 years. This bill extends that special reduced registration fee to a trailer owned and operated exclusively by an incorporated volunteer fire department.

This bill does not affect fire departments that are part of a municipal government; it only affects volunteer fire departments incorporated under state law.

VOLUME

There are approximately 700 fire departments listed by the Department of Commerce as "volunteer." DOT does not know whether all are incorporated. DOT does not know how many of these fire departments own trailers. For purpose of this fiscal estimate, assume all volunteer fire departments are incorporated; assume that one-half of all volunteer fire departments own one trailer each. Therefore, assume 350 trailers.

It is also assumed that the number of trailers will remain relatively constant over time. That is, every year it is anticipated that perhaps 10 trailers would be added to the fleet and about the same number of trailers would be withdrawn, so that there will remain about 350 such trailers. This is consistent with the experience of the motor vehicle fleet as a whole -- the fleet as a whole grows by only 1% a year.

ONE-TIME COST

Total one-time cost is \$11,900. The bill does not appropriate funds for this cost, and DMV cannot absorb this cost within its current budget. One-time cost includes data processing development and re-registration cost.

Data processing development: The Department of Transportation will re-program the data processing system to allow, within the \$5/5 year registration category, trailers as well as fire trucks owned and operated exclusively by incorporated volunteer fire departments. Changes are needed to the "business rules" that determine the registration and license plate type -- which in turn govern all subsequent processing such as fee calculation, plate ordering, etc. The work would require an estimated 12 person-days, at a cost of \$850 per day for staff and computer time, for \$10,200.

Re-registration: For trailers currently registered on the annual gross weight basis, a fire department wishing to take advantage of the reduced registration fee will apply to DMV for a re-registration to the \$5/5 year fee. It is assumed that all re-registrations will occur during the first year after enactment of the bill. Based on similar work activities, we estimate approximately 5 minutes to open, distribute, and process each transaction. This would result in an additional 29 hours of work, which DMV could absorb within our current workload. Non-staff cost of \$1,700 would be required to issue and mail 350 new license plates to trailers as a result of their new plate type.

ON-GOING ANNUAL FISCAL IMPACT

COST: No additional on-going cost results from this bill. It is anticipated that perhaps 10 new trailers would be registered each year -- and those trailers would simply be registered within the \$5/5 year registration category rather than on the basis of gross weight.

REVENUE: Annual revenue loss to the Transportation Fund of \$14,900.

The Department of Transportation understands that most of these trailers are towed behind a fire truck and used to carry extra equipment, or support services for firefighters, such as food and drink.

Under current law, the trailers that would be subject to this bill are registered according to weight. Of all trailers currently registered in Wisconsin, 90% are registered at or below 12,000 lbs. gross weight. Considering the expected use of these trailers, this fiscal estimate assumes that all trailers subject to this bill are currently registered at or less than 12,000 lbs. gross weight.

Revenue loss to the Transportation Fund reflects the fact that all trailers subject to this bill will pay a \$5 fee for 5 years, instead of weight-based fee each year.

The following shows current annual fees for trailers, and the weight distribution of trailers that are 12,000 lbs and under.

4,500 lbs.: \$ 24.25 (16%)
6,000 lbs.: \$ 30.75 (21%)
8,000 lbs.: \$ 38.75 (35%)
10,000 lbs.: \$ 59.75 (13%)
12,000 lbs.: \$ 80.50 (15%)

The table below shows 5 years' fees, and shows the total 350 trailers, distributed by weight.

4,500 lbs.: \$ 121.25 X 56 trailers = \$6,790
6,000 lbs.: \$ 153.75 X 74 trailers = \$11,378
8,000 lbs.: \$ 193.75 X 123 trailers = \$23,831
10,000 lbs.: \$ 298.75 X 45 trailers = \$13,444
12,000 lbs.: \$ 402.50 X 52 trailers = \$20,930

The total \$76,373 represents five years' registration fee revenue currently received from these trailers. If these trailers were registered for \$5 for 5 years, the revenue would be \$1,750. Thus, the five-year revenue loss to the Transportation Fund would be \$74,600, or \$14,900 annually.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
Total one-time cost of \$11,900. The bill does not appropriate funds for this cost, and DMV cannot absorb the cost within its current budget. One-time cost includes \$10,200 to make computer program changes to accept trailers within the registration category, and \$1,700 to issue and mail license plates for trailers that are currently registered on the basis of gross weight and thus need to be re-registered.		
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, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		-14,900
TOTAL State Revenues	\$	\$-14,900
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-14,900	\$
Agency/Prepared By	Authorized Signature	Date
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