

Fiscal Estimate Narratives
DOT 4/11/2007

LRB Number	07-0702/1	Introduction Number	AB-0226	Estimate Type	Original
Description Vehicle registration plates for certain sex offenders and providing penalties					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires any person who is subject to lifetime GPS monitoring by the Department of Corrections, to obtain special license plates for any vehicle the person owns. The person must use these plates until the person is released from monitoring.

The bill establishes two fees:

- A replacement plate fee of \$15 per plate, which the person subject to this bill must pay to obtain the special plate. This is a one-time fee.
- A fee of \$30 for issuance or renewal of the special plate.

The bill also prohibits a person subject to this bill from operating on a highway a vehicle that does not display the mandatory special plate. The bill establishes felony penalties for violation of either the license plate or the operation requirements. Information is provided to law enforcement through the TIME system, to enforce license plate or operation provisions.

FISCAL IMPACT

Volume:

The Department of Corrections estimates that by FY 2009, a total of 956 persons will be subject to GPS tracking under current law. It is impossible to estimate how many of these persons would have a vehicle registered in their own name; some may own more than one vehicle, while others may have no vehicle registered in their name. This fiscal estimate assumes an average of one vehicle per person, or 956 vehicles.

Fees:

This bill requires that a person subject to the bill apply for replacement plates of the special plate type. The bill establishes a fee of \$15 per plate. This is a one-time fee. Most vehicles display two plates, but some, such as motorcycles, display one plate.

In addition, the bill requires a fee of \$30 for issuance or renewal of the special plate. Most registrations are annual, but motorcycle, moped, and light farm truck registrations are biennial. Some heavy vehicle registrations are quarterly.

One-time cost:

Total one-time cost to DMV is \$86,300. The bill does not appropriate any funding to the DMV appropriation. DMV cannot absorb this cost within its current budget.

- Start-up cost, before any plates are issued, is \$71,000. This includes \$63,800 for 75 days to modify data processing systems. Changes are required to establish the new special plate, deposit fees, proper printing on renewal notices, proper plate ordering, and similar functions. Data processing changes would be extensive, since the special plate must be available for all vehicle registration types. Also, extensive testing would be required to test issuing the special plate for any registration type. \$7,200 is required for plate design and production preparation of new sheeting.
- Within 60 days after the bill effective date, sex offenders must obtain from DMV replacement plates of the special plate type. Since that date would likely be in FY 2009, it is assumed that 956 vehicles would receive replacement plates. DMV incurs a cost of \$16 a transaction to process and issue special plates. Thus, DMV would incur a cost of \$15,300.

One-time revenue:

Total one-time revenue increase to the Transportation Fund is \$56,600.

- The 956 vehicles that are registered must pay a one-time replacement plate fee of \$15 per plate. Most vehicles display two plates, but perhaps 5% display one plate. Thus, about 908 of these vehicles would pay \$30 for two plates, and about 48 would pay \$15 for one plate. Replacement plate revenue would be

\$27,960.

· Also, the 956 vehicles will pay \$30 for issuance of the special plate, or \$28,680.

Annual on-going revenue:

This bill requires a \$30 fee for plate renewal. Most vehicles are registered on an annual basis and would generate \$30 per year. However, motorcycle, moped, and light farm truck registrations are biennial and would generate \$30 every two years. Some heavy vehicle registrations are quarterly and would generate \$30 every quarter. This fiscal estimate assumes 95% are annual, 4.5% biennial, and 0.5% quarterly, for a total annual revenue increase to the Transportation Fund of \$28,300.

Annual on-going cost:

Since there is insufficient space on the renewal notice postcard to print the required wording, DMV must send renewal notice statements. The added cost to DMV for sending 956 renewal notices as statements instead of postcards is minimal and DMV may absorb this cost within its budget.

Long-Range Fiscal Implications

Under current law, GPS monitoring is lifetime, with limited provisions for release. There is virtually no attrition of persons subject to this bill. Over time, as additional persons become subject to this bill, revenue to the Transportation Fund would grow. DMV could absorb the minimal costs to process replacement plate transactions.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Vehicle registration plates for certain sex offenders and providing penalties			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
Total one-time cost to DMV is \$86,300. The bill does not appropriate any funding to the DMV appropriation. DMV cannot absorb this cost within its current budget. Total one-time revenue increase to the Transportation Fund is \$56,600.			
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	28,300	
	TOTAL State Revenues	\$28,300	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$28,300	\$
Agency/Prepared By		Authorized Signature	Date
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