

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-4606/1</b>	<b>Introduction Number</b> <b>AB-0581</b>
<b>Description</b> motor vehicle dealer and wholesaler facilities and licensure requirements, certain registration plates issued to motor vehicle dealers, distributors, or manufacturers, and creating and modifying administrative rules	
<b>Fiscal Effect</b>  <b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue                  5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<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/ John Gilchrist (608) 266-7135	<b>Authorized Signature</b> Joan Meier (608) 267-6978
<b>Date</b> 11/17/2021	

## Fiscal Estimate Narratives

DOT 11/17/2021

LRB Number	<b>21-4606/1</b>	Introduction Number	<b>AB-0581</b>	Estimate Type	<b>Original</b>
<b>Description</b> motor vehicle dealer and wholesaler facilities and licensure requirements, certain registration plates issued to motor vehicle dealers, distributors, or manufacturers, and creating and modifying administrative rules					

### Assumptions Used in Arriving at Fiscal Estimate

This bill would change the requirements for wholesaler dealer licensing by altering requirements for dealer facilities, record keeping, and hours open to the public. As of October 28, 2021, there are 1,241 wholesale dealers who share 4 buildings. Under the proposed bill, all but 20 would have to relocate to other locations within 6 months or their license could be denied or suspended until they expire, go out of business, or comply.

The Department receives \$40 for the 2-year wholesaler license and \$150 for dealer plates from each wholesaler upon renewal. This revenue is deposited into the Transportation Fund. If the bill became law, it could result in fewer wholesaler licenses being issued by the Department. Below reflects the estimated fiscal impact to the Department biennially if a percentage of the licensed wholesalers left the market:

1,241 wholesale dealers x 20% x \$190 = \$47,158.00 (biennially)

1,241 wholesale dealers x 50% x \$190 = \$117,895.00 (biennially)

### Long-Range Fiscal Implications

This bill could have a wide-ranging effect resulting in an estimated revenue reduction of \$23,579 to \$58,948 annually for 1-3 years as the market adjusts to the new standards.

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-4606/1</b>	<b>Introduction Number</b> <b>AB-0581</b>	
<b>Description</b> motor vehicle dealer and wholesaler facilities and licensure requirements, certain registration plates issued to motor vehicle dealers, distributors, or manufacturers, and creating and modifying administrative rules		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<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	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<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 (Transportation Fund)		-23,579
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-23,579</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-23,579	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DOT/ John Gilchrist (608) 266-7135	Joan Meier (608) 267-6978	11/17/2021