

Fiscal Estimate Narratives

DOT 4/11/2023

LRB Number	23-1416/1	Introduction Number	SB-0060	Estimate Type	Original
Description fees for certain motor vehicle certificate of title transfers					

Assumptions Used in Arriving at Fiscal Estimate

This bill will expand the existing waiver for title transfer fees for a vehicle being transferred to a spouse or domestic partner upon the owner's death, to include any immediate family member. The existing title transfer waiver was applied to approximately 7,168 or 1.09% of title transfers in CY22. This accounts for an estimated loss of \$1,179,136 in potential fee revenue for the Transportation Fund.

Using CY22 figures for a similar exemption for title transfer fees when transferring a vehicle from a deceased person to any immediate family member, 9,722 or 1.48% of title transfers would likely be added under the expanded waiver. This would have created an additional loss of \$1,599,269 in fee revenue for the Transportation Fund in CY22.

Assuming that the bill would be passed during FY23, the estimated loss of revenue would be \$133,300 per month in fee revenue to the Transportation Fund.

Long-Range Fiscal Implications

This bill is estimated create an annual loss of \$1,599,300 in fee revenue for the Transportation Fund.

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description fees for certain motor vehicle certificate of title transfers		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
One-time costs will include an estimated \$64,590 for changes to the Department's IT systems and an estimated \$23,207 for changes to the NIC data process systems required for the implementation of this bill. Additionally, it is estimated to take 6 months for the implementation of these IT changes.		
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 (20.395)		-1,599,300
TOTAL State Revenues	\$	\$-1,599,300
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-1,599,300	\$
Agency/Prepared By	Authorized Signature	Date

