

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7738
BILL NUMBER: HB 1535

DATE PREPARED: Jan 12, 1999
BILL AMENDED:

SUBJECT: License branch service charges.

FISCAL ANALYST: James Sperlik
PHONE NUMBER: 232-9866

FUNDS AFFECTED: **GENERAL** **IMPACT:** State
 X DEDICATED
 FEDERAL

Summary of Legislation: This bill requires the Bureau of Motor Vehicles Commission to annually determine the cost of operating license branches in each county and the amount of service charges that must be assessed in each county to cover the cost of the license branch operations in the county. It requires the Bureau of Motor Vehicles Commission to adopt rules to set the county service charges to cover the cost of the license branch operations in the county. The bill requires the service charges collected from each county to be deposited in the license branch fund and used for the county license branch operations.

Effective Date: January 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues: For fiscal year 1999, the current fiscal year, the BMVC is projecting for branch operations a shortfall of \$8.9 million, while for fiscal year 2000, the projected shortfall is \$9.08 million, and for fiscal year 2001, the projected shortfall is \$10.33 million. The BMVC is to annually determine the cost of operating the 168 license branches and to impose a service charge in amounts necessary to cover the cost of license branch operations in the county. The specific impact will depend upon the annual costs of the license branches and the amount of the new service charges and whether or not they are sufficient to cover the costs of operation.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission.

Local Agencies Affected:

Information Sources: BMVC budget data.