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FISCAL IMPACT STATEMENT

LS 6850
BILL NUMBER: SB 240

NOTE PREPARED: Feb 28, 2003
BILL AMENDED: Feb 27, 2003

SUBJECT: Low-Speed Vehicles.

FIRST AUTHOR: Sen. Lawson C
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that certain low-speed vehicles designed to have a maximum speed of not more than 35 miles per hour may be operated on highways as passenger motor vehicles, with certain exceptions. It permits the Department of Transportation (INDOT) and local authorities to regulate the operation of these low-speed vehicles, with certain exceptions. It specifies certain equipment that must be standard on a low-speed vehicle.

Effective Date: July 1, 2003.

Explanation of State Expenditures: This bill likely will add to the administrative costs associated with the designation and determination of restrictions on the use of highways. The fund affected is the State Highway Fund. The fiscal impact is indeterminable and will depend upon the number of restricted locations for the use of low-speed vehicles and the number of signs which must be erected.

Background Information: IC 9-21-4-7 provides for the INDOT to designate or determine the location of, necessity for, and extent of restrictions on the use of highways for certain periods or for certain vehicles, including low-speed vehicles.

Explanation of State Revenues: The estimated price tag for these vehicles starts around \$7,000 for a two-seat vehicle. To the extent that these low-speed vehicles do not replace conventional motor vehicles, there could be additional Motor Vehicle Excise Tax revenue of an indeterminable amount. Also, there could be additional state Sales Tax accruing to the state General Fund and the Property Tax Replacement Fund of an indeterminable amount.

In addition, there will be registration fees for the low-speed vehicles. The registration fee is \$20.75 and is

deposited into the Motor Vehicle Highway Account, the State Police Building Fund, the Crossroads 2000 Fund, the Bureau of Motor Vehicles Technology Fund, and the State License Branch Fund. Registration fee revenue will depend upon the number of low-speed vehicles which are registered.

The impact on the above-mentioned funds will depend on the extent to which low-speed vehicles are purchased to substitute for conventional motor vehicles or as an addition to the current vehicle population.

Explanation of Local Expenditures: The provisions of this proposal likely will add to the administrative costs associated with the prohibition or regulation of low-speed vehicles on highways. The fiscal impact is indeterminable and will depend upon the number of restricted locations for the use of low-speed vehicles and the number of signs which must be erected.

Explanation of Local Revenues: Motor Vehicle Excise Tax revenues are allocated to the taxing district in which the registrant resides.

State Agencies Affected: Department of Transportation.

Local Agencies Affected: Those who receive Motor Vehicle Excise Tax distributions and those with low-speed vehicles registered within their districts.

Information Sources: National Highway Traffic Safety Administration.

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