

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7094**

**BILL NUMBER:** HB 1576

**NOTE PREPARED:** Jan 10, 2011

**BILL AMENDED:**

**SUBJECT:** Hazardous Materials Uniform Procedures Act.

**FIRST AUTHOR:** Rep. Austin

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

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

**IMPACT:** State

**Summary of Legislation:** The bill codifies the Hazardous Materials Transportation Uniform Procedures Act to regulate the transport of hazardous material by motor vehicle.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *Indiana Department of Transportation:* INDOT incur additional costs to adopt rules and administer the program, including inspection or investigation to determine compliance and eligibility. Registration fees will offset program administrative costs and permit costs will be applied to costs associated with administering the permit process.

Additionally, the state will pay fees to the Alliance for Uniform Hazmat Transportation Procedures (AUHMTP) and the Governor will appoint a person to attend all AUHMTP meetings and serve on its governing board.

**Explanation of State Revenues:** *Registration Fees:* The bill requires a motor carrier that designates Indiana as its base state, must register and obtain a permit from INDOT before transporting hazardous materials through Indiana. INDOT is to impose an apportioned registration fee on a motor carrier that designates another state as its base state. The bill also allows for INDOT to carry out a program of inspection and audit to determine if a motor carrier is entitled to a permit or the need for suspension or revocation of a permit. A person who fails to comply with the provisions of the program, commits a Class C infraction and each day of noncompliance is a separate infraction.

If additional court cases occur and infraction judgments and court fees are collected, revenue to the state

General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), the public defense administration fee (\$3), the court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

*Background:* There are seven state currently part of the AUHMTP, including Illinois, Michigan, Minnesota, Nevada, Ohio, Oklahoma, and West Virginia. Average revenue from five of the programs was \$342,000 in FY 2008 (or FY 2007 for Ohio), ranging between \$224,100 (Minnesota) and \$622,519 (Nevada). According to the study from which the data are taken, the difference in revenue is the fees charged, the percentage of miles driven, and the percentage of hazardous materials conducted by motor carriers. The average administrative costs for the program ranged from \$100,000 (West Virginia) to \$198,000 (Illinois). The average operating margin for the program was 51.2%.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Infraction:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

**State Agencies Affected:**

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Battelle Memorial Institute for the National Conference of State Legislatures, *Alliance for Uniform Hazmat Transportation Procedures*, September 2, 2009.

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