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**FISCAL IMPACT STATEMENT**

**LS 6312**

**BILL NUMBER: SB 79**

**NOTE PREPARED: Apr 18, 2011**

**BILL AMENDED: Apr 15, 2011**

**SUBJECT: Motor Fuel Theft.**

**FIRST AUTHOR: Sen. Young R Michael**

**FIRST SPONSOR: Rep. Dermody**

**BILL STATUS: 2<sup>nd</sup> Reading - 2<sup>nd</sup> House**

**FUNDS AFFECTED:   GENERAL  
                          X DEDICATED  
                          FEDERAL**

**IMPACT: State**

**Summary of Legislation:** (Amended) This bill has the following provisions:

- (1) Provides that if motor fuel from a retailer is pumped into a vehicle and proper payment is not made to the retailer, the owner of the vehicle is liable to the retailer for the total pump price of the fuel pumped plus a service charge of \$50.
- (2) Provides that: (a) the Bureau of Motor Vehicles (BMV) may disclose the name and address of a vehicle owner to an association of retailers when the information is requested for purposes of contact information in connection with fuel theft; and (b) the name and address may be used only by the association for purposes of collection efforts to recover the price of the fuel and certain other costs.
- (3) Provides that, if an owner does not pay the total pump price of the fuel pumped plus the service charge within 30 days after the association sends the notice, the owner is also subject to liability to the retailer for other damages, costs, fees, and expenses.
- (4) Provides that within 30 days after the sending of the retailer's notice, the owner may send a written response to the retailer disputing the retailer's claim or stating that, when the fuel was pumped into the vehicle, the owner was not operating the vehicle and was not responsible for paying for the fuel.
- (5) Provides that if an owner sends such a response to the retailer, the retailer shall cease communications with the owner but may still seek to recover from the owner by initiating a civil action.
- (6) Provides that if the owner makes complete payment for the price of fuel that has been pumped into the vehicle and certain other costs, no criminal prosecution for theft or conversion may be brought against the owner for the failure to make proper payment to the motor fuel retailer.
- (7) Requires the BMV to adopt rules under which an association may obtain the names and mailing addresses of owners from the BMV for purposes of recovering for fuel theft.

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

**Explanation of State Expenditures:** *Obtaining Names from the BMV.* The BMV currently provides certain information regarding vehicle titles, licenses, and vehicle registrations for a fee. Using the current system will not increase expenditures to the BMV. However, integrating a new system with the current system to accommodate a retailer or association of retailers may require additional expenditures. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

**Explanation of State Revenues:** *Court Fee Revenue from Civil Actions:* If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 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), public defense administration fee (\$3), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case

*Obtaining Names from the BMV.* The proposal allows the BMV to enter into agreements with a retailer or association of retailers to establish fees other than the current fees for obtaining certain information. The impact will depend upon the negotiated fees.

**Background Information.** The current fee to obtain information regarding vehicle titles, licenses, vehicle registrations, and permits is \$4 for each record requested in writing, \$4 for each record obtained through MyBMV, and \$7.50 for each record requested electronically through the AccessIndiana gateway. The BMV receives \$4 for every electronic request secured through the AccessIndiana gateway.

MyBMV is an enhanced, secure online service of the BMV, designed to be a virtual license branch for customers to complete select BMV transactions.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Court Fee Revenue from Civil Actions:* If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs 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:** BMV; Indiana Office of Technology.

**Local Agencies Affected:** Trial courts, city and town courts.

**Information Sources:**

**Fiscal Analyst:** Bill Brumbach, 232-9559.