

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7313

BILL NUMBER: HB 1748

NOTE PREPARED: Feb 10, 2003

BILL AMENDED:

SUBJECT: Manufactured Homes Attached to Real Estate.

FIRST AUTHOR: Rep. Fry

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a person who holds title to a manufactured home (home) that is attached to a permanent foundation to apply for an affidavit of transfer to real estate (affidavit) with the Bureau of Motor Vehicles (BMV). It makes the failure to apply for an affidavit a Class C infraction. The bill provides that upon filing of the affidavit and the certificate of title with the appropriate county recorder, the filing is deemed a conversion of the home to an improvement upon the real estate upon which it is located. It makes conforming amendments.

Effective Date: July 1, 2003.

Explanation of State Expenditures: Central Printing, a division of the Department of Administration, is able to print 10,000 one-sided forms for \$270, and 10,000 two-sided forms for \$230. The fund affected for the BMV is the Motor Vehicle Highway Account, which supports the BMV.

Explanation of State Revenues: The proposal provides for a \$5 fee for the affidavit of transfer which is paid to the BMV. The Manufactured Housing Association reports that in CY 2002, there were approximately 5,000 manufactured homes in Indiana which would be affected by the proposal. The revenue over time will depend upon the number of such homes. Based on the 2002 data, revenue would amount to \$25,000. The fund affected is the Motor Vehicle Highway Account.

Penalty Provision: If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. 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 the court fee 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.

Explanation of Local Expenditures:

Explanation of Local Revenues:

Penalty Provision: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) 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. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Bureau of Motor Vehicles; Department of Administration.

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

Information Sources: Dave Sandlin, Department of Administration, Central Printing Office, 233-5739; Dennis Farney, President, Indiana Manufactured Housing Association, 244-6913.

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