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FISCAL IMPACT STATEMENT

LS 6913

BILL NUMBER: HB 1429

NOTE PREPARED: Jan 12, 2004

BILL AMENDED:

SUBJECT: Registration and License Plates for Farm Vehicles.

FIRST AUTHOR: Rep. Stutzman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that certain motor vehicles may be operated and registered as farm trucks, farm trailers, or farm semitrailers and tractors if not used for certain commercial enterprises.

The bill makes it a Class C infraction (and a Class B infraction for a second offense within three years) to operate or own a farm truck, farm trailer, or farm semitrailer and tractor if the vehicle is used for certain commercial enterprises and permits certain law enforcement officers to impound the vehicle and its contents. The bill requires the Bureau of Motor Vehicles (BMV) to adopt rules to identify and define "farm truck", "farm trailer", and "farm semitrailer and tractor". It also makes conforming amendments.

Effective Date: Upon passage; July 1, 2004.

Explanation of State Expenditures: The bill removes two plate categories of farm truck plates: (1) those trucks with a declared gross weight of 11,000 lbs. and (2) those with a declared gross weight of 16,000 lbs. The new farm truck designation will begin with trucks with a declared gross weight of 20,000 lbs. or more. For the BMV, there likely will be some computer programming changes required and changes to truck registration manuals. These costs are expected to be minimal. The fund affected is the Motor Vehicle Highway Account (MVHA) which supports the BMV.

Explanation of State Revenues: Trucks plated as farm trucks pay 50% of the fee associated with a particular weight class. In CY 2002, the 18,870 vehicles paid a total of \$993,633 in registration fees. With the new class, these two weight classes will pay an additional \$993,633 in registration fees. The fund affected is the MVHA.

Penalty Provision: The bill provides for a Class C infraction for the first offense and a Class B infraction for the second offense. 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, and \$1,000 for a Class B infraction, both of which are 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.

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

Information Sources: BMV Cash Audit for 2002. PEN Products pricing for 2003-2005 biennium.

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