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FISCAL IMPACT STATEMENT

LS 6475

BILL NUMBER: HB 1318

NOTE PREPARED: Jan 27, 2008

BILL AMENDED: Jan 24, 2008

SUBJECT: Funding for Spinal Cord and Brain Injury Research.

FIRST AUTHOR: Rep. Mays

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill eliminates the \$10 registration fee on motorcycles that is designated for deposit in the Spinal Cord and Brain Injury Fund.

The bill provides for a fee of fifty cents to be collected after December 31, 2008, for registration of certain vehicles, to be deposited in the Spinal Cord and Brain Injury Fund.

The bill increases the Law Enforcement Continuing Education Program Fee from \$3 to \$4.

It repeals the law establishing the Spinal Cord and Brain Injury Fund, and re-enacts the law under a different citation number to resolve a technical conflict between P.L.193-2007 and P.L.234-2007, which resulted in the addition of two different laws with the same citation number.

The bill also makes an appropriation.

Effective Date: July 1, 2008.

Explanation of State Expenditures: *Spinal Cord and Brain Injury Fund:* This bill establishes the Spinal Cord and Brain Injury Fund to fund research on spinal cord and brain injuries under a new code section. The Fund currently exists. The Fund is administered by the Indiana State Department of Health (ISDH) and consists of appropriations, gifts and bequests, fees deposited in the Fund, and grants received from the federal government or private sources. Money in the Fund is continually appropriated and does not revert to the state General Fund at the end of a state fiscal year.

Explanation of State Revenues: (Revised) *Summary- Net State Revenue:* Considering both the increase in motor vehicle registration fees and the reduction in motorcycle registration fees, the bill would provide for an estimated \$1.13 M net increase in revenue to be deposited in the Spinal Cord and Brain Injury Fund.

Background Information-

(Revised) *Motor Vehicle Registration Fees:* The bill requires the Bureau of Motor Vehicles (BMV) to collect a fee of \$0.50 for each registration of certain motor vehicles. The BMV should be able to do so within their existing level of resources.

The bill requires the BMV to deposit the \$0.50 fee in the Spinal Cord and Brain Injury Fund. The BMV reports that during CY 2006 there were 5.6 million registrations of one of the specified motor vehicles. Assuming these numbers remain consistent, the Spinal Cord and Brain Injury Fund would receive approximately \$2.8 M in additional revenue.

(Revised) *Motorcycle Registration Fees:* The bill also reduces the fee for the registration of a motorcycle by \$9.50; from \$27 to \$17.50, effective January 1, 2009. Currently, \$10 is allocated to the Spinal Cord and Brain Injury Fund. The BMV reports that during CY 2006 there were 175,375 motorcycles registered in Indiana. Assuming these numbers remain consistent, the Spinal Cord and Brain Injury Fund would lose approximately \$1.66 M from the reduction in motorcycle registration fees.

(The Spinal Cord and Brain Injury Fund administered by the State Department of Health, has collected revenue of \$612,170 as of December 21, 2007.)

Explanation of Local Expenditures: See *Explanation of State Revenues.*

Explanation of Local Revenues: (Revised) *Law Enforcement Continuing Education Program Fee:* Based on the patterns of dispositions for criminal, infractions and ordinance violation cases, increasing the law enforcement continuing education program court fee from \$3 to \$4 could bring in new money of an estimated \$0.6 M within 24 to 36 months.

This fee is collected in all criminal, infraction, and ordinance violation actions when a defendant is found to have (1) committed a crime; (2) violated a statute defining an infraction; or (3) violated an ordinance of a municipal corporation.

Revenue from the law enforcement continuing education program court fee is deposited into a county user fee fund (IC 33-37-8-5) if the case was decided in a trial court or in a city or town user fee fund (IC 33-37-8-3) if the case was decided in a city or town court. Money from this fee is used for continuing education programs for local law enforcement agencies.

Estimated New Revenue Deposited in County and City and Town User Fee Funds.			
	Trial Courts	City and Town Courts	Total Revenue
Felonies and Misdemeanors	\$ 50,443	\$ 22,065	\$ 72,508
Infractions & Ord. Violations	\$417,812	\$145,468	\$563,289
Total New Revenue Statewide	\$468,264	\$167,533	\$635,797

Since fees for noncivil cases are paid when a judge or jury decides whether a defendant is guilty, it will likely take at least 24 to 36 months for the state to receive the full \$0.6 M. This is because a case may be filed in one reporting year, but the outcome may not be determined until the next year.

State Agencies Affected: Indiana State Department of Health; BMV.

Local Agencies Affected: Clerks of the Court; Local law enforcement agencies.

Information Sources: BMV; Auditor's Data base (fund/center 5230/124020); *Indiana Code*; *Indiana Judicial Reports, 2001 - 2005*; Doug Gosser, Indiana Sheriffs' Association.

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