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FISCAL IMPACT STATEMENT

LS 6475

BILL NUMBER: HB 1318

NOTE PREPARED: Feb 27, 2008

BILL AMENDED: Feb 26, 2008

SUBJECT: Funding for Spinal Cord and Brain Injury Research.

FIRST AUTHOR: Rep. Mays

FIRST SPONSOR: Sen. Becker

BILL STATUS: As Passed Senate

FUNDS AFFECTED: GENERAL
 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 the registration fee for motorcycles is \$17.30.

The bill provides for a fee of thirty cents to be collected after December 31, 2008, for registration of passenger cars, trucks equal to or less than 10,000 pounds declared gross weight, and motorcycles to be deposited in the Spinal Cord and Brain Injury Fund.

The bill also 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 certain motor vehicle registration fees and the reduction in motorcycle registration fees, the bill would provide for an estimated net decrease in revenue to be deposited in the Spinal Cord and Brain Injury Fund of \$62,400.

Background Information-

(Revised) *Motor Vehicle Registration Fees:* The bill requires the Bureau of Motor Vehicles (BMV) to collect a fee of \$0.30 for each registration of a passenger car, motorcycle, and truck up to 10,000 pounds declared gross weight. The BMV should be able to do so within their existing level of resources.

The bill requires the BMV to deposit the \$0.30 fee collected for registrations of passenger cars, motorcycles, and specified trucks in the Spinal Cord and Brain Injury Fund. The BMV reports that during CY 2006 there were 4.0 million registrations of passenger cars and motorcycles. BMV statistics reported 1.4 M trucks up to 11,000 pounds declared gross weight. It is assumed that no trucks weighing more than 10,000 pounds but less than 11,000 pounds declared gross weight are included in CY 2006 registrations for trucks up to 11,000 lbs. Annually, the fee of \$0.30 is expected to raise approximately \$1.64 M for Deposit in the Spinal Cord and Brain Injury Fund. However, the bill also reduces the fee for the registration of a motorcycle by \$9.70; from \$27 that is provided in current statute to \$17.30, 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. The bill directs the revenue from the \$17.30 fee to be allocated as follows: \$7 to the motorcycle operator safety education fund; an amount for the license branch service charge, \$0.30 to the Spinal Cord and Brain Injury Fund; and any balance to the General Fund for credit to the Motor Vehicle Highway account. The reduction in fees attributable to motorcycles is approximately \$1.70 M.

Assuming these numbers remain constant, the Spinal Cord and Brain Injury Fund would see a net loss of approximately \$62,400 from the increase in fees for passenger cars and certain trucks and the reduction in motorcycle registration fees.

[The Spinal Cord and Brain Injury Fund administered by the State Department of Health, has collected revenue of \$713,110 as of February 22, 2008.]

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

Explanation of Local Revenues: *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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