LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6272 | **NOTE PREPARED:** Mar 11, 2008
BILL NUMBER: SB 81 | **BILL AMENDED:** Mar 10, 2008

SUBJECT: Transfer on Death Conveyances and Prohibition of Certain Fees.

FIRST AUTHOR: Sen. Kruse | **BILL STATUS:** As Passed House
FIRST SPONSOR: Rep. Herrell

FUNDS AFFECTED: X **GENERAL** | **IMPACT:** State & Local
X **DEDICATED**
FEDERAL

Summary of Legislation: *Transfer on Death Conveyance* - The bill authorizes an owner of a vehicle or a watercraft to transfer ownership of the vehicle or watercraft upon the death of the owner by designating a transfer on death beneficiary on the certificate of title for the vehicle or watercraft. It also allows 60 days rather than 31 days for an individual acquiring a motor vehicle or a watercraft as a transfer on death beneficiary to fulfill certain duties.

Accident Response Fees - The bill prohibits political subdivisions or local law enforcement agencies of political subdivisions from imposing or collecting an accident response service fee on or from the driver of a motor vehicle or any other person involved in a motor vehicle accident.

Sheriff/Jail Fees - The bill prohibits a sheriff or an employee of a jail from charging an individual a fee for the individual to be incarcerated or held in a jail unless the individual has been convicted of a crime for which the individual was incarcerated or held in jail.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary* - The bill could potentially result in additional title fees being paid to the state on motor vehicles and watercraft. However, the extent of this impact is indeterminable.

Background Information - The bill would require the grantor of a vehicle or watercraft to obtain a certificate

of title conveying the interest in the vehicle or watercraft to one or more individuals as transfer on death beneficiaries. The beneficiary of the vehicle or watercraft still must obtain a new title for the vehicle or watercraft once the grantor has died and the vehicle or watercraft is transferred. Additional title fees on motor vehicles would be distributed to the Bureau of Motor Vehicles (BMV); and additional title fees on watercraft would be distributed to the Department of Natural Resources and the BMV.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Accident Response Fees* - To the extent that a political subdivision or local law enforcement agency imposes or collects accident response service fees, revenues to these agencies could be reduced. There are no statewide data to indicate how many entities may be imposing these fees or the amount of the fee.

Sheriff/Jail Fees - To the extent that county sheriffs or jails are imposing fees on individuals who are being incarcerated or held in a jail but not for reason of a conviction, revenues to sheriffs or jails could be reduced. Lake County and Porter County have been imposing a $25 inmate processing fee charged to all individuals who are booked into the county jail. According to the State Board of Accounts, in 2006 Lake County collected $119,940 from the inmate processing fee and Porter County collected $159,236 from the inmate processing fee. This provision of the bill would prohibit such a fee. The extent that other counties may be utilizing similar fees that would be prohibited by this provision is unknown.

State Agencies Affected: Bureau of Motor Vehicles, Department of Natural Resources.

Local Agencies Affected: Political subdivisions; Local law enforcement agencies; county sheriffs and jails.

Information Sources: State Board of Accounts, Audit Report of County Sheriff Porter County Indiana: January 1, 2006 to December 31, 2006, pp. 4-5; Audit Report of County Sheriff Lake County Indiana: January 1, 2006 to December 31, 2006, p. 4.

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