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FISCAL IMPACT STATEMENT

LS 6476

BILL NUMBER: HB 1175

NOTE PREPARED: Jan 25, 2010

BILL AMENDED: Jan 21, 2010

SUBJECT: Use of Mini-Trucks.

FIRST AUTHOR: Rep. Wolkins

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill authorizes the use of mini-trucks on Indiana roads. It requires a mini-truck that is operated on an Indiana road to be titled and registered. The bill prohibits the operation of a mini-truck on an interstate highway. It requires a dealer of mini-trucks to register as a dealer. The bill makes conforming amendments.

Effective Date: Upon passage; July 1, 2010.

Explanation of State Expenditures: Requiring a mini-truck to be titled and registered by the Bureau of Motor Vehicles (BMV) can be handled through the current registration and titling process and will not require additional expenditures on the part of the BMV. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

Background Information: In CY 2008, the BMV issued approximately 2.1 million titles and registered approximately 6.5 million vehicles.

Explanation of State Revenues: Requiring a mini-truck to be titled and registered will mean an increase in revenue to the BMV, the amount of which is indeterminable and will depend on the number of mini-trucks titled and registered. Data are not available on the number of mini-trucks in the state. The registration fee for mini-trucks is \$30.05. The funds affected and the amounts are shown below.

Fund	Uses	Revenue
Motor Vehicle Highway Account	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue	\$ 15.25
Highway Road and Street Fund	State Highway Fund - Funds must be appropriated	\$ 1.93
Local Road and Street Fund	Engineering and land acquisition, construction, maintenance, resurfacing, restoration, or rehabilitation	\$ 1.57
Public Safety Fee	Deposited into a special account known as the State Police Building Account which does not revert to the state General Fund or the Motor Vehicle Highway Account and is used for construction, maintenance, and equipping of and/or leasing of State Police facilities.	\$ 0.25
Crossroads 2000 Fund	Bonding for highway projects	\$ 4.00
BMV Technology Fund	Upgrades technology at the BMV	\$ 0.50
Anti-Terrorism Fund	Supports the Integrated Public Safety Commission	\$ 1.25
BMV Commission	Supports the operation of the licenses branches throughout the state	\$ 5.00
Spinal Cord Injury Fund	Supports spinal cord research	\$ 0.30
Impact per vehicle registered		\$ 30.05

Explanation of Local Expenditures:

Explanation of Local Revenues: The registration requirement for mini-trucks would also make them subject to the Motor Vehicle Excise Tax. If a mini-truck is currently reported as business personal property for property tax purposes, then the truck's assessed value would be removed from the tax base. Property tax revenues would not decline, except in cumulative funds where the tax rate is capped. The excise tax paid in lieu of property tax would provide an increase in local revenue.

State Agencies Affected: Department of Transportation, State Department of Revenue, State Police, and the BMV as recipients of the funds listed above.

Local Agencies Affected: Recipients of the Motor Vehicle Highway Account and LR&S distributions.

Information Sources: BMV Transaction Distribution.

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