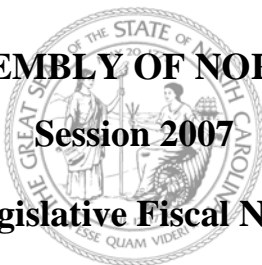


**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2007**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 1688 (First Edition)

**SHORT TITLE:** Amend Combined MV Registration and PT System.

**SPONSOR(S):** Representative Folwell

<b>FISCAL IMPACT</b>					
	<b>Yes (x)</b>	<b>No ( )</b>	<b>No Estimate Available (x )</b>		
	<b><u>FY 2007-08</u></b>	<b><u>FY 2008-09</u></b>	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>
<b>REVENUES</b>	-	-	-	-	-
***See Assumptions					
<b>EXPENDITURES</b>					
IT and Computer System Modifications	-	-	\$794,000	-	-
Temporary Stickers	-	-	\$854,545	\$854,545	\$854,545
Mailing new notice to renew	-	-	\$1,860,429	\$1,860,429	\$1,860,429
LPA Fee for Collecting Payment			<b>**No estimate available.</b>		
***Other Costs Associated with implementation of HB1779 and HB1688 – <b>No Estimate Available</b>					
<b>POSITIONS (cumulative):</b>			<b>**No estimate available</b>		
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Division of Motor Vehicles					
<b>EFFECTIVE DATE:</b> FY2009-10					

**BILL SUMMARY:** As title indicates. Enacts new GS 20-79.1A to authorize the Division of Motor Vehicles to issue limited registration plates to be valid for two months. Effective July 1, 2010, or when the Department of Revenue certifies that its computer system has been integrated to accommodate both the vehicle registration and property tax collection systems, amends GS 105-330.4 to specify that classified vehicle taxes are due on the date the limited registration expires. Effective July 1, 2010, or when the computer systems described above are integrated.

*Source: Bill Digest H.B. 1688 (04/18/0200)*

**ASSUMPTIONS AND METHODOLOGY:**

1. There will be nonrecurring costs for computer system modifications necessary to accommodate the online registration functions to enable the collection of property taxes and generate the registration renewals incurred during FY2009-2010.
2. There will be new “T” (temporary) stickers purchased for those new registrations and new plates @ a cost of .79 per sticker; this is an ongoing cost.
3. There will be additional costs for mailing a new notice of renewal and pay property tax within the first two months of a vehicle purchase.
4. There will be additional costs for paying the LPA per transaction to collect property taxes; that amount is undetermined at this time; therefore, there is no estimate available.
5. There are additional ongoing costs associated with implementing this act; however, there are no estimates available at this time.
6. **The new costs will be covered through the Combined Motor Vehicle and Registration Account that local governments pay into, held within the State Treasurer’s Office. These funds will not be utilized until the Association of County Commissioners approves DMV’s plan of expenses and the General Assembly appropriates the funds. This account currently has approximately \$6M for the program.**

**SOURCES OF DATA:** Division of Motor Vehicles

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Lisa Hollowell

**APPROVED BY:** Lynn Muchmore, Director  
Fiscal Research Division

**DATE:** July 25, 2007



**Signed Copy Located in the NCGA Principal Clerk's Offices**