

Department of Planning and Budget

2009 Fiscal Impact Statement

1. Bill Number: HB2164

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
 Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Lohr

3. Committee: Passed Both Houses

4. Title: **Mechanics' liens; acquisition and disposal of abandoned vehicles.**

5. Summary: This bill provides new standards and procedures for acquisition and disposal of abandoned vehicles.

6. Fiscal impact estimates: Final. See Item #8.

6a. Expenditure impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	-	-	-
2010	\$64,221	-	NGF
2011	\$27,808	-	NGF
2012	\$27,808	-	NGF
2013	\$27,808	-	NGF
2014	\$27,808	-	NGF
2015	\$27,808	-	NGF

6b. Revenue impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	-	-	-
2010	\$22,159	0	NGF
2011	\$29,546	0	NGF
2012	\$29,546	0	NGF
2013	\$29,546	0	NGF
2014	\$29,546	0	NGF
2015	\$29,546	0	NGF

7. Budget amendment necessary: No

8. Fiscal implications: Beginning October 1, 2009, the bill maintains a \$25 fee for the possessor of an abandoned motor vehicle who applies to the Department of Motor Vehicles (DMV) for a Vehicle Removal Certificate. However, local government agencies with a written agreement with DMV are exempt from the fee. In addition, the bill removes those vehicles with a storage lien from inclusion in the abandoned vehicle process and the \$25 fee. The impact of these two exemptions cannot be estimated.

Currently, the fee is \$8 to request a transcript of a vehicle owner/lien holder. Based on an average of the number of transcripts requested during the three most recent fiscal years, additional revenue of \$29,546 may be anticipated annually from the \$25 fee (1,738 applications x \$17). However, the bill requires DMV to send up to three certified, return receipt requested mailings of notices to vehicle owners and lien holders. Additional expenses of \$27,808 will nearly offset the increase in revenue.

Information technology (IT) costs of \$42,750 plus one time mailing costs (\$615) to alert licensees of the change in the process constitute first year expenditure estimates. The IT costs cover the development and support of a web-based "notice of intent to auction" application that will serve as the place to post notices of vehicle auctions, while also serving as a centralized resource for law enforcement.

9. Specific agency or political subdivisions affected: Department of Motor Vehicles.

10. Technical amendment necessary: No.

11. Other comments: None.

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cc: Secretary of Transportation