

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB2497

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

2. Patron: Barlow

3. Committee: General Laws

4. Title: Board of Towing and Recovery Operators; abolishes Board.

5. Summary: This bill abolishes the Board of Towing and Recovery Operators.

6. Budget Amendment Necessary: Yes, Item 426 and front page general fund revenue.

7. Fiscal Impact Estimates: Preliminary. See Item #8.

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2011	-	-
2012	(\$514,600)	General Fund
2013	-	-

8. Fiscal Implications: The Board of Towing and Recovery Operators (BTRO) is currently obligated to repay the remaining \$514,600 balance of two start-up Treasury loans, used to fund agency operations in FY 2007 and FY 2008. If this loan is not repaid, the general fund would have to absorb this loss.

The agency's FY 2012 appropriation is \$571,485 and annual revenues are \$776,000, based on FY 2010 collections. Severance payments of \$84,296 to the three full-time employees (one position is unfilled at this time) would reduce any available agency nongeneral fund balances at the end of FY 2011. In addition, once the towing industry knows the agency has been abolished, it is unlikely that any new or renewal revenues would be forthcoming, significantly reducing the final fiscal resources of this self-funded agency.

9. Specific Agency or Political Subdivisions Affected: Board of Towing and Recovery Operators.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/27/11

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cc: Secretary of Public Safety