

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** HB1296

House of Origin	<u>  X  </u>	Introduced	<u>      </u>	Substitute	<u>      </u>	Engrossed
Second House	<u>      </u>	In Committee	<u>      </u>	Substitute	<u>      </u>	Enrolled

**2. Patron:** Peace

**3. Committee:** Transportation

**4. Title:** Board for Towing and Recovery Operators.

**5. Summary:** This bill postpones until July 1, 2010, the effective date of any regulations promulgated by the Board. The bill also postpones until July 1, 2010, the requirement that tow truck operators have tow truck driver authorization documents issued by the Board and the requirement that towing and recovery services have and display licenses issued by the Board.

**6. Fiscal Impact Estimates:** Preliminary.

**6b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008	-	-	-
2009	(\$350,000)	-	NGF
2010	-	-	-

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** The regulations promulgated by the Board for Towing and Recovery Operators were due to be effective July 1, 2008. Since the inception of the Board, operations in fiscal years 2007 and 2008 have been supported by an annual \$350,000 treasury loan. Operations and loan repayment were to be supported in fiscal years 2009 and 2010 by the revenues generated through licensing fees.

This bill will delay the effective date of the regulations, postponing revenue collections until fiscal year 2010. However, funding would still be required to support Board activities and to begin repayment of the treasury loan during fiscal year 2009.

**9. Specific agency or political subdivisions affected:** Board of Towing and Recovery Operators, Department of Motor Vehicles, Department of the Treasury.

**10. Technical amendment necessary:** No.

**11. Other comments:** In light of the merger with the Department of Motor Vehicles (DMV)

proposed in the introduced budget and HB 1202 and unless other resources are provided until revenues begin, the likelihood exists that DMV would have to absorb the expenses of the Board until such time as it could be self sufficient.

**Date:** 1/14/2008/jlv

**Document:** G:\08-10\FIS\HB1296.Doc Janet Vogelgesang

cc: Secretary of Transportation