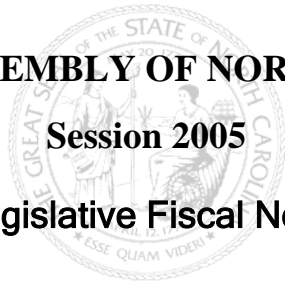


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Fiscal Note

BILL NUMBER: Senate Bill 185 (First Edition)

SHORT TITLE: Windshield Replacers – Stickers w/o Fee.

SPONSOR(S): Senator Holloman

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
REVENUES:					
Highway Fund	(\$26,867)	(\$26,867)	(\$26,867)	(\$26,867)	(\$26,867)
Highway Trust Fund	(\$4,000)	(\$4,000)	(\$4,000)	(\$4,000)	(\$4,000)
DENR – Air Quality	(\$10,400)	(\$10,400)	(\$10,400)	(\$10,400)	(\$10,400)
Other funds	(\$90,655)	(\$90,655)	(\$90,655)	(\$90,655)	(\$90,655)
Total, all funds	(\$131,922)	(\$131,922)	(\$131,922)	(\$131,922)	(\$131,922)
EXPENDITURES:					
DMV	\$10,357	\$1,397	\$1,397	\$1,397	\$1,397
POSITIONS					
(cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Dept. of Transportation, Division of Motor Vehicles, Highway Fund, Highway Trust Fund, Department of Environment and Natural Resources Division of Air Quality, Volunteer Rescue/EMS Fund, Rescue Squad Workers' Relief Fund					
EFFECTIVE DATE: January 1, 2006					

BILL SUMMARY: Provides that registered businesses that replace windshields may obtain replacement inspection stickers without paying the sticker fees. Requires that the person replacing the windshield shall submit copies of bills for windshield replacement with the old inspection stickers to the Division of Motor Vehicles when obtaining replacement stickers. Makes technical changes.

ASSUMPTIONS AND METHODOLOGY: There are presently 68 North Carolina counties with at least one windshield replacement center and a total of 207 windshield replacement centers in the state. The projection for this legislation is based on 2003-04 actual receipts from safety stickers and emissions stickers. During that year, DMV issued 32,850 safety stickers and 16,000 emissions stickers to windshield replacement centers.

There are two costs to DMV. The first is the transaction cost whereby DMV pays tag agencies \$1.43 per transaction for windshield replacement transactions. In 2003-04, the 207 windshield replacement centers consumed 977 books of stickers, costing the DMV \$1,397.

There is also an IT cost. DMV estimates that 100 hours of IT work will be needed to conform to the changes in this bill. At \$80 per hour, the estimated IT cost is \$8,000. There is also a \$960 IT overhead (15% of programming, testing, and implementation), bringing the total IT expense to \$8,960.

Funds affected by this legislation either receive money from the sale of both safety stickers and emissions stickers, or from the sale of emission stickers alone. The chart below provides detail on which funds receive money from which stickers as well as presenting the total impact to each fund under Senate Bill 185.

Senate Bill 185 - Total Impact to Various Funds					
	2005-06	2006-07	2007-08	2008-09	2009-2010
*Hwy Fund \$.55 ea.	(\$26,867)	(\$26,867)	(\$26,867)	(\$26,867)	(\$26,867)
IM Program \$3.00 ea	(\$48,000)	(\$48,000)	(\$48,000)	(\$48,000)	(\$48,000)
*EMS \$.18 ea	(\$8,793)	(\$8,793)	(\$8,793)	(\$8,793)	(\$8,793)
*Rescue \$.12 ea	(\$5,862)	(\$5,862)	(\$5,862)	(\$5,862)	(\$5,862)
Hwy Trust Fund \$.25 ea	(\$4,000)	(\$4,000)	(\$4,000)	(\$4,000)	(\$4,000)
DAQ \$.65 ea	(\$10,400)	(\$10,400)	(\$10,400)	(\$10,400)	(\$10,400)
Telecomm Fee \$1.75 ea	(\$28,000)	(\$28,000)	(\$28,000)	(\$28,000)	(\$28,000)
Total, all funds	(\$131,922)	(\$131,922)	(\$131,922)	(\$131,922)	(\$131,922)
*The funds marked with an asterisk receive funds from both safety and emissions stickers (48,850 total). The rest receive funds from the inspections and maintenance sticker only (16,000 total).					

SOURCES OF DATA: DMV State Titling and Registration System and License & Theft Bureau

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Brenna Erford and Bob Weiss

APPROVED BY: James D. Johnson, Director
Fiscal Research Division



DATE: June 22, 2005

Signed Copy Located in the NCGA Principal Clerk's Offices