

**LEGISLATIVE FISCAL OFFICE
Fiscal Note**



Fiscal Note On: **HB 435** HLS 22RS 559
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 21, 2022 6:43 AM	Author: HUVAL
Dept./Agy.: Louisiana Used Motor Vehicle Commission	Analyst: Monique Appeaning
Subject: Fees	

FEES/LICENSES/PERMITS OR +\$286,510 SG RV See Note Page 1 of 1
 Provides relative to fees charged by the Louisiana Used Motor Vehicle Commission

Proposed law provides for any dealer who submits a renewal application after the expiration date of an existing license shall be subject to a late penalty of \$100 in addition to any penalty, fine, or cost assessed for operating without a license which shall be paid to the commission. Proposed law provides for any salesperson who submits a renewal application after the expiration date of an existing license shall be subject to a late penalty of \$15 in addition to any penalty, fine, or cost assessed for operating without a license which shall be paid to the commission. Proposed law changes the used motor vehicle dealer's license from a maximum of \$200 to \$300. Proposed law changes the used motor vehicle salesperson's license from, no more than \$25 to a maximum of \$30.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$286,510	\$286,510	\$286,510	\$286,510	\$286,510	\$1,432,550
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$286,510	\$286,510	\$286,510	\$286,510	\$286,510	\$1,432,550

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Louisiana Used Motor Vehicle Commission reports that all changes that may be required by this legislation could be handled by current staff and expenditure would be negligible.

REVENUE EXPLANATION

Proposed law will result in an increase in revenue for the Louisiana Used Motor Vehicle Commission by increasing existing fees and adding new fees as followings:

Proposed law imposes a late fee of \$15 per delinquent salesperson license (NOTE: the current late fee is \$0). The projected revenue generated by this fee is \$31,920. This was calculated using the number of delinquent salespersons (2,128) as of January 20, 2022. (2,128 x \$15 = \$31,920) NOTE: To the extent this new late fee incentivizes salespersons to make timely payments, this number will be reduced.

Proposed law increases the used motor vehicle dealer's license from a maximum of \$200 to \$300. The projected revenue generated by this fee is \$237,900. This was calculated using the number of dealers (2,379) as of January 20, 2022. (2,379 x \$100 = \$237,900)

Proposed law increases the used motor vehicle salesperson's license from, no more than \$25 to a maximum of \$30. The projected revenue generated by this fee increase is \$16,690. This was calculated using the number of licensed salespersons (3,338) as of January 20, 2022. (3,338 x \$5 = \$16,690)

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
Evan Brasseaux
 Interim Deputy Fiscal Officer