



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 1413

PRINTERS NO. 2668

PRIME SPONSOR: Heffley

### COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
Motor License Fund	See "Fiscal Impact"	See "Fiscal Impact"
Multimodal Transportation Fund	See "Fiscal Impact"	See "Fiscal Impact"
Public Transportation Trust Fund	See "Fiscal Impact"	See "Fiscal Impact"

**SUMMARY:** Amends the Vehicle Code to allow for a registration fee refund and to eliminate the semi-annual inspection requirements on motor carrier vehicles over 17,000 pounds. This legislation would take effect in 90 days.

**ANALYSIS:** This legislation amends Section 1916 (relating to trucks and truck tractors) to allow the registration fee for a motor carrier vehicle in excess of 17,000 pounds to be refunded if the vehicle is stolen or demolished. Any refund shall be pro-rated based on the number of months the vehicle was operational and, in the case of apportioned registrations, PennDOT only has the authority to refund the fees paid for the Pennsylvania portion of the registration.

The legislation also amends Section 4702 (relating to requirement for periodic inspection of vehicles) to eliminate the requirement for motor carrier vehicles with a registered gross weight in excess of 17,000 pounds to be subject to a semiannual safety inspection.

**FISCAL IMPACT:** According to PennDOT, refunding registration fees would result in reduced revenue for the Commonwealth. Estimated loss of annual revenue would be approximately \$265,000 solely to the Motor License Fund. This is calculated by taking into account the number of salvaged, non-repairable, and stolen vehicles in excess of 17,000 pounds in FY 2014-15 and subtracting the number of plate transfers from the same vehicle classes.

PennDOT would also incur a one-time cost of approximately \$256,000 to update their systems for the refunding requirement within the legislation.

According to PennDOT, the provision that would eliminate the semi-annual inspection requirement would result in the approximate loss of \$352,000 in revenue from lost sticker sales to the Commonwealth annually. The breakdown per fund is as follows:

<b>Fund</b>	<b>%</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Motor License Fund	10%	Minimal	\$36,608
Multimodal Transportation Fund	23%	Minimal	\$80,960
Public Transportation Trust Fund	67%	Minimal	\$234,432

PennDOT would save approximately \$8,000 annually from not having to purchase the semi-annual stickers for the qualifying vehicles within this legislation.

These changes would only have a minimal impact on FY 2015-16 as the legislation would not take effect for 90 days after enactment.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** January 26, 2016

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*