



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 188

PRINTERS NO. 155

PRIME SPONSOR: Causer

REVENUE INCREASE / (DECREASE)

FUND	FY 2016/17	FY 2017/18
Motor License Fund	\$0	See "Fiscal Impact"

SUMMARY: Increases the annual income limit for retired persons to qualify for vehicle registration fee exemption from \$19,200 to \$23,500. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends Title 75 (Vehicle Code) to increase the annual income limit for retired persons receiving social security or other pension income to qualify for a vehicle registration fee reduction (eligible persons pay \$10 per current law), from \$19,200 to \$23,500.

FISCAL IMPACT: According to PennDOT, 129,149 individuals qualified for the exemption from registration under Section 1901(c)(16) over the last 12 months which created a revenue loss of \$4,439,233 over that period. Vehicles eligible for the reduced registration fee include passenger cars and class 1 through 3 trucks. PennDOT is unable to project how many additional vehicle owners would qualify for the reduced fee if this legislation was enacted.

This legislation would increase the income threshold from \$19,200 to \$23,500 which is about a 22% increase. A hypothetical estimate would be to apply the 22% increase to the current eligible population which would total approximately 28,400 eligible individuals for an increased revenue loss of approximately \$976,000.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: March 20, 2017

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