

**FISCAL NOTE**

The fiscal impact in the form of a revenue increase and decrease from registration fees is indeterminable. The change in registration fees cannot be determined because it is unknown how many citizens will select the proposed permanent trailer registration option.

The bill creates a permanent registration option program for lightweight trailers that are not less than six years old. The program requires a \$50.00 administration fee and a one-time registration fee equal to five times the current applicable registration fee.

If 100% of eligible trailers participate in the program during FY 2024, the estimated fiscal impact in the form of a revenue increase is equal to \$7.9 million distributed as follows: \$2.9 million to the Highway Fund in administration fees, and \$3.5 million to the Highway Fund and \$1.5 million to counties, school districts and other local entities in registration fees. These FY 2024 revenue increases are net of the current registration fees, and they would be smaller with less than 100% participation.

If 100% of the eligible trailers participate in the program, the Department of Transportation (Department) assumes that in FY 2025 and each fiscal year thereafter, a fiscal impact in the form of a revenue decrease will occur due to a reduction in annual registration fees. The estimated annual revenue decrease is equal to \$775,000 and consists of \$200,000 to the Highway Fund and \$575,000 to counties, school districts and other local entities. These revenue decreases would be smaller with less than 100% participation.

**FY 2024                      FY 2025                      FY 2026**

**NON-ADMINISTRATIVE IMPACT**

Anticipated Expenditure increase  
HIGHWAY FUND

\$4,000

Source of expenditure increase:

The Revenue Information System (RIS) would require programming to accept and identify a permanent registration.

Assumptions:

The Department assumes programming fees of \$4,000 to update the RIS.

The expenditure increase reflected above could be considered an administrative cost. However, for simplicity and to follow consistent practice on legislation of this type, it is included on the fiscal note.

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