

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 499 (Senate Finance Committee Substitute) Boat Registration Fees/AB

SHORT TITLE: Boat Registration Fees/AB

SPONSOR(S): Senator David Hoyle

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES					
Wildlife Resources Fund					
Boating Account	\$251,338	\$691,806	\$381,056	\$502,676	\$691,806
EXPENDITURES					
Wildlife Resources Fund					
Boating Account	Not Yet Determined				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: North Carolina Wildlife Resources Commission					
EFFECTIVE DATE: Section 5 (boating access) of the act becomes effective January 1, 2000 and applies to fees collected from each boat registration in effect on or after that date. The remainder of the act becomes effective January 1, 2000.					

BILL SUMMARY:

The bill increases the application and renewal fees for identification numbers on boats from \$8 to \$10 for a one year period and from \$20 to \$25 for a three year period. The same fee increase applies to the change in boat ownership. The bill mandates that at least \$3 of the registration fee shall be used for boating access area acquisition, development, and maintenance.

BACKGROUND:

The Boating Account in the Wildlife Resources Fund received \$2.6 million in revenue in FY 1997-98. Revenues deposited into the Account come from 1) fees from boat identification numbers and 2) gasoline excise tax credited to the account from the Highway Fund.

ASSUMPTIONS AND METHODOLOGY:

The Wildlife Resources Commission has a computerized vessel (boat) registration system that tracks the issuance and renewal of boat identification numbers. The number of three and one year registration renewals for the next five fiscal years (shown below) was obtained from this system. The agency could not project the growth in three year registrations, but it is clear that one year registrations are flat. Most boat owners are taking advantage of the discount for three year registration.

	<u>FY 99-00</u>	<u>FY00-01</u>	<u>FY01-02</u>	<u>FY02-03</u>	<u>FY 03-04</u>
3 Year Registration	96,198	134,024	71,874	96,198	134,024
Fee Increase	\$5	\$5	\$5	\$5	\$5
Revenue	\$480,990	\$670,120	\$359,370	\$480,990	\$670,120
1 Year Registration	10,843	10,843	10,843	10,843	10,843
Fee Increase	\$2	\$2	\$2	\$2	\$2
Revenue	\$21,686	\$21,686	\$21,686	\$21,686	\$21,686
Total Revenue	\$502,676	\$691,806	\$381,056	\$502,676	\$691,806

With a January 1, 2000 effective date, the FY 1999-00 revenue is half of the \$502,676 projected for that year.

FISCAL RESEARCH DIVISION 733-4910

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