

**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2007**

**Legislative Fiscal Note**

**BILL NUMBER:** Senate Bill 738 (Second Edition)

**SHORT TITLE:** Registration and Length Exemptions.

**SPONSOR(S):** Senator Swindell

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2007-08</u></b>	<b><u>FY 2008-09</u></b>	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>
<b>REVENUES:</b>					
<b>General Fund</b>	<b>No Impact to General Fund</b>				
<b>NC Highway Fund</b>	<b>(\$30,000)</b>	<b>(\$30,000)</b>	<b>(\$30,000)</b>	<b>(\$30,000)</b>	<b>(\$30,000)</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Highway Patrol					
<b>EFFECTIVE DATE:</b> July 1, 2007.					

**BILL SUMMARY:** The Proposed Committee Substitute for Senate Bill 738 exempts agricultural spreader vehicles from motor vehicle registration requirements, and it modifies the length restriction for vehicles that transport cotton.

**ASSUMPTIONS AND METHODOLOGY:** Section 1 of the bill exempts agricultural spreader vehicles from registration requirements. The registration fee for for-hire self-propelled property-hauling vehicles is based on the type of vehicle and its weight. The minimum fee for a vehicle subject to the farmer rate<sup>1</sup> is \$24.00, and the minimum fee for vehicles subject to the general rate is \$28.00. The schedule of fees is as follows:

<b>Rates Per Hundred Pound Gross Weight</b>	
	<b>Farmer Rate</b>
Not over 4,000 pounds	\$0.29
4,001 to 9,000 pounds inclusive	.40
9,001 to 13,000 pounds inclusive	.50
13,001 to 17,000 pounds inclusive	.68
Over 17,000 pounds	.77

<sup>1</sup> The farmer rate applies to a person engaged in the raising and growing of farm products on a farm in North Carolina not less than 10 acres in area, and who does not engage in the business of buying products for resale. 'Farm products' includes cotton grown, produced, or processed by the farmer.

The NC Highway Patrol advises that there are 500 or less for-hire agricultural spreader vehicles in the State. Assuming most of these vehicles weigh approximately 12,000 pounds and are subject to the farmer rate of \$0.50 per 100 pounds, the registration fee is approximately \$60 per vehicle. Exempting these vehicles from registration requirements will result in a loss of approximately \$30,000 annually to the Highway Fund. Section 2 of the bill has no fiscal impact.

**SOURCES OF DATA:** NC Highway Patrol

**TECHNICAL CONSIDERATIONS:** None

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**DATE:** May 10, 2007



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