

BDR 40-310

SB 158

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 16, 2011

Agency Submitting: Compliance Enforcement Division, Department of Motor Vehicles

Items of Revenue or Expense, or Both	Fiscal Year 2010-11	Fiscal Year 2011-12	Fiscal Year 2012-13	Effect on Future Biennia
\$5.00 Emission Cert fee to Pollution Control Account (Revenue)			(\$4,956,121)	(\$7,628,659)
\$1.00 Emission Certificate fee distributed to counties (Revenue)			(\$991,224)	(\$1,525,731)
Contract Programmer Cost \$135 per hour x 690 hours (Expense)			\$93,150	
Cost to Establish Regulations (Expense)		\$1,956		
Total	0	\$1,956	(\$6,040,495)	(\$9,154,390)

Explanation

(Use Additional Sheets of Attachments, if required)

Brief Description of Proposed Legislation:

As written, BDR 40-310 proposes to change the yearly vehicle emission testing requirement to an every other year requirement. This BDR also proposes if a vehicle reaches 100,000 miles on the odometer the vehicle is subject to an immediate emission test. This BDR also proposes new vehicles will only be subject to emission testing after the third year of registration. Currently new vehicles that are less than two years old do not require an emission test. BDR 40-310 also proposes an emission test will be required on new vehicles if they reach or exceed 100,000 miles before the third year of being registered. This BDR also proposes that if a vehicle fails an emission test, it will be required to pass an emission test annually.

Name Debbie Shope

Title Program Officer II

DEPARTMENT OF ADMINISTRATION'S COMMENTS

The agency's response appears reasonable.

Date Wednesday, February 09, 2011

Name Andrew K. Clinger

Title Director

BDR /Bill/ Amendment #:

BDR 40-310

Agency Name:

Department of Motor Vehicles

Division Name:

Compliance Enforcement

Date:

2/4/2011

Basis for Calculations Using the Following Assumptions:

1. If passed, the Department is requesting a delayed implementation date of November 1, 2012, based on the time required to make necessary programming changes. Projected costs for programming changes to the DMV database are included.
2. This BDR requires the Department to establish regulations; those estimated costs are included in the fiscal impact.
3. We are unable to determine how many new vehicles are registered each year as the applicable information is not captured in the DMV database. Therefore the fiscal impact of the third year emission testing requirement for new vehicles is unknown.
4. The Department is unable to capture when vehicles are going to reach 100,000 miles on the odometer. Therefore a fiscal impact cannot be determined at this time.
5. Every other year there will be a loss in revenue to the Pollution Control account (\$5.00 fee) and to local air quality agencies (\$1.00 fee). The fiscal impact is based on the revenue previously projected for emission tests (Nevada DMV's Taxes and Fees History and Projections, Version A) with FY13 being the first year of the program. The fiscal impact on future bienna will continue to be a loss of revenue every other year. Due to the implimentation date of November 1, 2012, we have used the revenue projections and annualized the loss for 8 months of FY13, and the first 4 months for FY14. FY 15 revenue projections reflect a 8 month loss of revenue with this trend continuing every other year.
6. DMV enforcement of the 100,000 mile odometer provision may have an additional fiscal impact on both the Field Services Division and the Compliance Enforcement Division depending on how the enforcement is implemented. This could include hiring additional staff (VIN Inspectors, Investigators, DMV Services Technicians, Support Staff) and any applicable equipment and supplies needed for additional staff.
7. With the passage of this BDR, the Pollution Control account will no longer be able to support the program costs. Staffing at DMV will have to be reduced. Other agencies budgets which receive funding from the Pollution Control account will no longer be able to rely on this funding source. These agencies are Nevada Department of Environmental Protection (NDEP) Department of Agriculture, Environmental Commission and Tahoe Regional Planning. Additionally, Washoe and Clark county air quality departments will not be able to rely on this funding source.

Description	FY 10/11	FY 11/12	FY 12/13	Future Biennia
Loss of Revenue: \$5.00 emission certificate fee to Pollution Control Account	\$ -	\$ -	\$ (4,956,121)	\$ (7,628,659)
Loss of Revenue: \$1.00 emission certificate fee distributed to counties	\$ -	\$ -	\$ (991,224)	\$ (1,525,731)
Contract Programmer Cost \$135 per hour x 690 Hrs	\$ -		\$ 93,150	
Cost to Establish Regulations	\$ -	\$ 1,956		
Totals	\$ -	\$ 1,956	\$ (6,040,495)	\$ (9,154,390)