

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 596 (Delegate Campbell)
Commerce and Government Matters

Vehicle Laws - All-Terrain Vehicles

This bill requires all-terrain vehicles (ATV) to be registered with the Motor Vehicle Administration (MVA). The ATV must be registered by the owner who must be at least 18 years old.

The bill requires that a portion of the registration revenue be retained by MVA to recover its administrative costs; the remainder is credited to the State's general fund.

The bill is effective January 1, 1997.

Fiscal Summary

State Effect: General fund revenues could increase by an estimated \$82,500 in FY 1997. Special fund revenues and expenditures could increase by \$10,000, resulting in a zero net special fund fiscal effect.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$82,500	\$82,300	\$82,100	\$81,900	\$81,700
SF Revenues	10,000	10,200	10,400	10,600	10,800
SF Expenditures	10,000	10,200	10,400	10,600	10,800
Net Effect	\$82,500	\$82,300	\$82,100	\$81,900	\$81,700

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Fiscal Analysis

State Revenues: It is reported that approximately 1,300 ATVs were sold in Maryland in 1994. The Department of Fiscal Services estimates that consumer interest and sales have declined over the past ten years. This analysis, therefore, assumes that 5,000 vehicles would be registered annually under this bill.

Assuming an \$18.50 registration fee, State special fund revenues would increase by \$10,000 (see State Expenditures section below) and State general fund revenues would increase by \$82,500 ($[5,000 \times \$18.50] - \$10,000$) in fiscal 1997 under this bill.

Out-years are assumed to remain constant.

State Expenditures: It is estimated that the MVA expenditures would increase by \$2 per registration issued. Thus, special fund expenditures could increase by an estimated \$10,000 in fiscal 1998. Out-year expenditures are assumed to increase 2% annually.

Information Source(s): Department of Transportation (Motor Vehicle Administration)

Fiscal Note History: First Reader - February 27, 1996

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