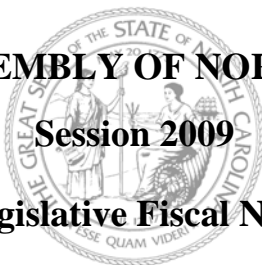


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: House Bill 861 (Second Edition)

SHORT TITLE: Create New Titling Categories.

SPONSOR(S): Representatives Crawford, Barnhart, Frye, and Goodwin

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>
REVENUES	\$0	\$0	\$0	\$0	\$0
EXPENDITURES					
Division of Motor Vehicles	\$255,850	\$18,360	\$18,360	\$18,360	\$18,360
POSITIONS (cumulative):	0	0	0	0	0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Division of Motor Vehicles, Department of Transportation					
EFFECTIVE DATE: Effective date varies.					

BILL SUMMARY:

This bill amends G.S. 20-4.01(43) to include new motor vehicle titling and registration categories for specially constructed vehicles and adds G.S. 20-53.1 to include titling and registration specifications. The bill amends G.S. 20-54 to provide that certificates of title and registration for generally recognized manufacturer-built vehicles are not to be denied or delayed because the originating title is from out of state, because of the age of the vehicle, or because the vehicle has not been first inspected by a representative of the Division of Motor Vehicles (DMV) unless there is some probable cause to believe that an individual vehicle has some issue that justifies an inspection before title and registration are issued. It amends G.S. 20-70 to provide that the notification and registration requirements in G.S. 20-70(a) and (b) regarding an engine change are only required if the motor vehicle into which a new engine is installed is identified solely by an engine number.

ASSUMPTIONS AND METHODOLOGY:

Based on Division of Motor Vehicles (DMV) estimates, the total development cost to complete programming required to implement this bill is \$255,850 in the first year. This includes planning, development, and implementation costs for DMV and the Office of Information Technology Services (ITS). For cost estimating purposes, DMV is using an hourly rate of \$85. Total development costs are \$221,000, or 2,600 hours of an information technology professional's time. ITS charges total \$34,850.

Annual maintenance and operations costs following completion of the project are estimated at \$18,360. Any programming requires maintenance, and DMV has allowed 15 hours a month at \$85 an hour to maintain this application for a total of \$15,300. The annual ITS computer usage charge totals \$3,060.

SOURCES OF DATA: Division of Motor Vehicles

TECHNICAL CONSIDERATIONS:

1. Because of programming requirements, DMV has proposed delaying the implementation until July 1, 2010.

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Amna Cameron

APPROVED BY: Marilyn Chism, Director
Fiscal Research Division

DATE: May 13, 2009



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