

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: Senate Bill 820 (Fourth Edition)

SHORT TITLE: Create New Titling Categories.

SPONSOR(S): Senator Hartsell

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	\$221,850	\$12,750	\$12,750	\$12,750	\$12,750
POSITIONS (cumulative):	0	0	0	0	0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Division of Motor Vehicles, Department of Transportation					
EFFECTIVE DATE: Sections 3 and 5 of this act are effective when the bill becomes law. The remaining sections become effective October 1, 2009.					

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 a new subsection on inoperable vehicles. The bill adds G.S. 20-53.1 to include titling and registration specifications. 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.

This bill amends G.S. 20-53 to require that an owner must surrender to the Division of Motor Vehicles notarized copies of original titles on vehicles 35 model years old or older as evidence of foreign registration if under the owner's possession or control. It clarifies that the License and Theft Bureau are to conduct vehicle verification on certain vehicles before issuing a title and prohibits examination of covert vehicle identification numbers (VINs) on an out-of-state vehicle 35 model years old or older unless the inspector develops probable cause to believe that the documents or VIN do not match the vehicle being examined.

This bill adds a new G.S. 20-53.3 to provide that any person not satisfied with the DMV's classification of a vehicle may ask for a review of the DMV's determination by the Vehicle Classification Review Committee. It establishes a process for initiating the review and for appeals from the Committee's decisions.

ASSUMPTIONS AND METHODOLOGY:

Based on Division of Motor Vehicles (DMV) estimates, the total development cost to complete programming required to implement this bill is \$221,850 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 \$195,500, or 2,300 hours of an information technology professional's time. ITS charges total \$26,350.

Annual maintenance and operations costs following completion of the project are estimated at \$12,750. Any programming requires maintenance, and DMV has allowed 10 hours a month at \$85 an hour to maintain this application, covering DMV and ITS costs. The estimated operations cost is based on five percent of the overall development cost.

SOURCES OF DATA: Division of Motor Vehicles

TECHNICAL CONSIDERATIONS: None

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DATE: July 21, 2009



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