

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 237 (First Edition)

SHORT TITLE: Boat Agent Fees/AB

SPONSOR(S): Representative Gulley

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES					
Wildlife Receipts	(\$195,000)	(\$195,000)	(\$195,000)	(\$195,000)	(\$195,000)
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	North Carolina Wildlife Resources Commission				
EFFECTIVE DATE:	The act is effective July 1, 1999				

BILL SUMMARY:

The bill increases the fee paid to agents of the Wildlife Resources Commission to title and register boats. The bill raises the reporting requirement for accidents involving boats from \$100 in damages to \$500 in damages. The bill also repeals the law requiring permits for regattas, races, marine parades, tournaments or exhibitions.

ASSUMPTIONS AND METHODOLOGY

Four hundred small businesses across the state serve as vessel registration agents for the Wildlife Resources Commission. These agents are paid 50 cents per transaction; a rate unchanged since 1979 (Chapter 761, 1979 S.L.). With the recent installation of the computerized Customer Support System, vessel registration agents are required to do the data entry of boat title and registration information in the field. The Wildlife Resources Commission requested this bill to better compensate the vessel registration agents for their increased workload. The amended fees will decrease Wildlife Resources Commission receipts by \$195,000 each year. (see chart on page 2) However, the Commission calculated that the cost of doing these transactions “in-house” would require 9.4 positions at a cost of \$340,768. The total cost of agent transactions at the new rates is only \$249,087.

	<u>Current Fee</u>	<u>Current Agent Fee</u>	<u>Proposed Agent Fee</u>	<u>Number of Transactions</u>	<u>Current Agent Compen.</u>	<u>Proposed Agent Compen.</u>
Renewal of Vessel Registration						
1 Year	\$8.00	None	None			
3 Years	\$20.00	\$0.50	\$1.25	36,155	\$18,078	\$45,194
Transfer of Ownership and Registration of Vessel						
1 Year	\$8.00	None	None			
3 Years	\$20.00	None	\$3.00	25,205	\$12,603	\$75,615
Issuance of New Certificate and Registration of Vessel						
1 Year	\$8.00	None	None			
3 Years	\$20.00	\$0.50	\$3.00	13,160	\$6,580	\$39,480
New Title and Registration						
3 Years	\$40.00	\$1.00	\$6.00	10,484	\$10,484	\$62,904
Issuance of Title						
	\$20.00	None	\$3.00	1,736	\$868	\$5,208
Transfer of Title and Registration						
3 Years	\$40.00	\$1.00	\$6.00	2,995	\$2,995	\$17,970
Duplicate Title						
	\$10.00	None	None			
Lien Recordation						
	\$10.00	None	None			
Duplicate Registration						
	\$2.00	\$0.50	\$0.50	5,433	<u>\$2,717</u>	<u>\$2,717</u>
					\$54,325	\$249,087
						<u>(\$54,325)</u>
						\$194,762

Note: None indicates no current agent fee allowed.

Wildlife Resources Commission staff believes the costs shown above are representative of an average year, thus the \$195,000 loss in revenue is shown for the five years of the fiscal note.

Section 3 and 4 of the bill have no fiscal impact on the agency.

FISCAL RESEARCH DIVISION 733-4910

PREPARED BY: Richard Bostic

APPROVED BY: Tom Covington

DATE: Tuesday, April 27, 1999



Signed Copy Located in the NCGA Principal Clerk's Offices