



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **SB0028: Extend vehicle titling grace period to 60 days**

Primary Sponsor: **Becky Beard**

Status: **As Introduced**

☐ Included in the Executive Budget

☒ Needs to be included in HB 2

☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts

☐ Technical Concerns

☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
General Fund (01)	\$20,000	\$0	\$0	\$0
Revenues				
General Fund (01)	(\$63,490)	(\$126,980)	(\$126,980)	(\$126,980)
Net Impact	<u>(\$83,490)</u>	<u>(\$126,980)</u>	<u>(\$126,980)</u>	<u>(\$126,980)</u>
General Fund Balance				

Description of fiscal impact

SB 28 revises the grace period for vehicle titling from 40 to 60 days. Late fee revenue would be reduced and the change would require programming of the Credentialing and Registration System (CARS) at a cost of \$20,000.

FISCAL ANALYSIS

Assumptions

Department of Justice

1. Currently, vehicle owners are charged a \$10 late fee if registration is not completed within 40 days of the sale. The Motor Vehicle Division estimates it would have a 20% reduction in late fees, reducing revenue by \$126,980 annually.
2. If the vehicle titling grace period is extended, the CARS system would need programming to accommodate the 60-day grace period. The estimated cost of the programming is \$20,000.

Fiscal Analysis Table

Department of Justice				
	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$20,000	\$0	\$0	\$0
TOTAL Expenditures	\$20,000	\$0	\$0	\$0
<u>Funding of Expenditures</u>				
General Fund (01)	\$20,000	\$0	\$0	\$0
TOTAL Funding of Expenditures	\$20,000	\$0	\$0	\$0
<u>Revenues</u>				
General Fund (01)	(\$63,490)	(\$126,980)	(\$126,980)	(\$126,980)
TOTAL Revenues	(\$63,490)	(\$126,980)	(\$126,980)	(\$126,980)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$83,490)	(\$126,980)	(\$126,980)	(\$126,980)

NO SPONSOR SIGNATURE

Sponsor's Initials_____
Date

1/22/25

Budget Director's Initials_____
1/20/2025
Date