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FISCAL NOTE(Form 1)
(Office of Fiscal Analysis)
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tc
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BILL NUMBER: HB 5623
FILE NUMBER:
AMENDMENTS: House "A", "B", "C",
"D" and "E" and
Senate "A", "B" and
"C"

TITLE: "AN ACT CONCERNING THE CONNECTICUT MIGRATORY BIRD CONSERVATION STAMP PROGRAM, THE LONG ISLAND SOUND COMMEMORATIVE MOTOR VEHICLE NUMBER PLATES, THE ISSUANCE OF GENERAL DISTINGUISHING NUMBERS TO MARINE DEALERS FOR BOAT TRAILORS, A PLAN FOR THE MANAGEMENT OF BLUFF POINT COASTAL RESERVE AND THE EXEMPTION OF COMMERCIAL FISHING VESSELS FROM THE SALES AND USE TAX"

FAVORABLY REPORTED BY Environment, Finance, Revenue and Bonding

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5623

STATE IMPACT	Future Revenue Loss and Savings (Conservation Fund), Future Revenue Gain and Cost (Migratory Bird Conservation Fund), Minimal Cost (General Fund), Cost and Revenue Gain (L.I.S. Fund), Revenue Gain (Transportation Fund), and Revenue Loss (General Fund), see explanation below
MUNICIPAL IMPACT	Delay of Minimal Revenue and Minimal Cost, see explanation below
STATE AGENCY(S)	Environmental Protection, Motor Vehicles, Revenue Services

EXPLANATION OF ESTIMATES:

STATE IMPACT: Passage of this bill as amended would delay by one year (from 7/1/92 to 7/1/93) any increase in revenue to the State due to the issuance of Ct. Migratory Bird Conservation Stamps to waterfowl hunters and the sale of prints. The bill would also require that any revenue generated be deposited in a separate Migratory Bird Conservation Fund and not the Conservation Fund per PA 91-308. It was anticipated that if the State were to charge \$5 a stamp, \$60,000 in revenue a year would be generated and at \$10 a stamp, \$120,000 would be generated. It was also anticipated that prints could be sold for \$100 and over, and could generate as much as a million dollars if 10,000 are sold. Since no upfront costs to the DEP were anticipated (the marketing company would take a percentage of the profits to cover their costs), the delay has no fiscal impact on costs to DEP. It is

anticipated that the citizens' advisory board will have a minimal impact on DEP.

In addition, the bill as amended requires the Commissioner of Motor Vehicles to issue Long Island Sound Commemorative number plates. It is anticipated that approximately 45,600 sets of Long Island Sound marker plates could be issued by the Department of Motor Vehicles. (The figure includes the issuance of vanity plates, standard consecutive plates, and 3-number plates). Costs to the Department for the production, design and Other Expenses could range between \$761,520 to \$792,984. Although, the Department has not indicated additional costs, potential additional expenses to cover staffing needs and for the modification of the computer system could be incurred. Costs associated with the promulgation and consultation of regulations can be absorbed within the respective departments' budgetary resources.

Although fees are to be established in regulations, assuming a \$50 fee for consecutive number plates, \$75 for vanity (letter/name) plates and \$95 for 3-digit number plates, a revenue gain of approximately \$2,376,000 can be expected. Since Department of Motor Vehicles' expenses would be reimbursed, a net revenue gain of approximately \$1,583,016 to \$1,614,480 may be anticipated. Should the Department of Motor Vehicles incur the additional expenses mentioned above, the net revenue gain would be reduced by such amount.

The bill also establishes a general registration for boat trailers held by marine dealers. Costs for the issuance of certificates and dealer marker plates are expected to be minimal and can be absorbed within the existing budgetary resources and gain to the Special Transportation Fund is anticipated upon marine dealer licenses and from the issuance of marker plates for boat trailers.

The bill as amended also broadens the Sales Tax exemption for vessels and equipment used in commercial fishing to include any vessel with a coastwide fishery certificate from the U.S. Coast Guard. This will allow party-fishing boats to qualify for the exemption. The revenue loss is estimated at \$75,000 for FY 93 (based on a 10/1/92 starting date) and \$100,000 in FY 94.

In addition, by requiring the Department of Environmental Protection to develop a plan, within available resources, for Bluff Point by February 1, 1993 will require that the Department divert agency resources from current duties to develop the plan at a cost of approximately \$10,000 or one quarter man year. No additional resources are currently available to develop a plan in this time frame.

MUNICIPAL IMPACT: Passage of this bill as amended would delay by one year, the minimal increase in costs to towns for the issuance of stamps as well as delay the minimal revenue increase due to the retention of a 50 cent fee. No net impact is anticipated.

House "A" establishes the L.I.S. plate program and provides costs and revenues to a new L.I.S. Fund.

House "B" concerns registration of boat trailers and provides a revenue increase to the Transportation Fund. House "C" concerns permission from landowners for swan egg addling and has no impact while House "D" specifics requirements in the swan egg addling regulations minimally increasing DEP costs. However, Senate "C" deletes these 2 amendments. House "E" is technical and has no impact. Senate "A" deals with Bluff Point and increases costs to DEP and Senate "B" decreases revenue to the General Fund.

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