

FISCAL NOTE

The fiscal impact in the form of a revenue increase and decrease from registration fees is indeterminable. The change in registration fees cannot be determined because it is unknown how many citizens will select the proposed permanent vehicle registration option.

The bill creates a permanent registration option program for motor vehicles in their eleventh year of service or later. About sixty-one percent (61%) of registered vehicles in Wyoming would be eligible for permanent registration at the time of the bill's effective date. The program requires an \$87.50 administration fee and a one-time registration fee equal to five times the current applicable registration fee.

If 50% of eligible vehicles participate in the program during fiscal year (FY) 2024, the estimated fiscal impact in the form of a revenue increase is equal to \$189.3 million distributed as follows: \$26.1 million to the Highway Fund in administrative fees, and \$49.6 million to the Highway Fund and \$113.6 million to counties, school districts and other local entities in registration fees. In FY 2025 and subsequent years, additional vehicles would become eligible for permanent registration under the bill and result in estimated revenue increases of \$16.3 million in FY 2025 (\$1.9 million to the Highway Fund in administrative fees, and \$3.4 million to the Highway fund and \$11.0 million to counties, school districts and other local entities in registration fees) and \$19.1 million in FY 2026 (\$2.1 million to the Highway Fund in administrative fees, and \$4.0 million to the Highway Fund and \$13.0 million to counties, school districts and other local entities in registration fees). These revenue increases are net of the current registration fees, and they would be smaller with less than 50% participation.

If 50% of eligible vehicles participate in the program in FY 2025, a fiscal impact in the form of a revenue decrease will occur due to a reduction in annual registration fees as permanently registered vehicles would not continue to pay the annual fee. The estimated revenue decrease for FY 2025 is equal to \$44.5 million and consists of a \$13.3 million decrease to the Highway Fund and a \$31.2 million decrease to counties, school districts and other local entities. In subsequent fiscal years, additional vehicles would become eligible for permanent registration and result in revenue decreases of \$48.7 million in FY 2026 (\$14.3 million to the Highway Fund and 34.4 million to counties, school districts and other local entities) and \$52.3 million in FY 2027 (\$15.1 million to the Highway Fund and \$37.2 million to counties, school districts and other local entities). These revenue decreases would be smaller with less than 50% participation.

	FY 2024	FY 2025	FY 2026
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
HIGHWAY FUND	\$6,600		

Source of expenditure increase:

Plate design and testing, and computer system programming for the new permanent registration license plate;

Assumptions:

It is assumed that there would be one-time expenditure increases of \$2,000 for design and testing and \$4,600 for computer system programming for the new permanent registration license plate.

The expenditure increase reflected above could be considered an administrative cost. However, for simplicity and to follow consistent practice on legislation of this type, it is included on the fiscal note.