

1/27/11

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DATE PREPARED: February 08, 2011  
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LB 495

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$24,000	\$24,000	\$24,000	\$24,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$24,000	\$24,000	\$24,000	\$24,000

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 495 is the Boat Dealers Licensing Act. The bill provides for the Nebraska Motor Vehicle Industry Licensing Board (MVILB) to administer the provisions of the act and regulate the issuance and revocation of licenses subject to the act. The Attorney General (AG) is to render opinions to the board on questions of law pertaining to the act and act as attorney for the board in all proceedings. Fees and expenses of the AG are to be paid from the Motor Vehicle Industry Licensing Fund.

Applicants for boat dealer licenses are to pay up to \$400 annually for a license. A dealer must sell at least five motorboats during the previous licensing period to renew a license. The fees are to be set by the MVILB to not exceed the amount necessary to sustain the administration, operation, maintenance and enforcement of the act. Penalties for violations of the act are provided in the bill. The board may assess an administrative fine of up to \$5,000 per violation of the act. The MVILB is expanded to include a licensed boat dealer.

Revenue: It is assumed there will be at least 60 boat dealers licensed pursuant to the bill based upon an internet search of boat dealers in Nebraska. If the board opts to set a license fee of \$400, then cash fund revenue will increase by at least \$24,000 per year. The actual revenue increase will depend upon the fee set by the board and the number of boat dealers seeking licensure.

Any revenue received from administrative fines assessed pursuant to the act is projected to be small and will accrue to the local entity where the fine is assessed to be used by public schools.

Expenditures: The bill adds an additional member to the board who is eligible for a per diem and reimbursement of expenses. The board will also have to issue and renew licenses, investigate complaints against dealers, conduct hearings and revoke or suspend licenses.

The board indicates the authority to set a license fee of up to \$400 will be sufficient to fund expenditures necessary to administer the act and regulate boat dealers. It is assumed the MVILB will incur increased expenditures for a board member per diem and expenses, computer programming, license issuance, and mileage for investigators. The board may also have to reimburse the Attorney General for expenditures related to the act. No additional staff will be added by the board. Initially, it is assumed that \$24,000 will be sufficient to fund the requirements of the bill; however, future expenditures will depend on the actual workload increase attributable to the regulation of boat dealers.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	David J. Spatz	DATE	1/27/11	PHONE	471-4179
COMMENTS					
ATTORNEY GENERAL: Concur, no fiscal impact.					
MOTOR VEHICLE INDUSTRY LICENSING BOARD: The Motor Vehicle Industry Licensing Board makes no estimate of expenditures or revenue at this time. No basis to dispute agency analysis.					



