

FISCAL NOTE

February 27, 2017

Bill No:	HB 188	Printer's No:	155	Sponsor:	Causer (R)
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COST / (SAVINGS)

Fund (s)	2016-17 Three Months	2017-18 One Year
Motor License Fund	\$375,000	\$1.5 million

SUMMARY: This bill would amend Title 75 (Vehicles) to increase the income eligibility requirement for retired person to qualify for reduced registration.

ANALYSIS: Currently, any person who is retired and receiving social security or other pension and whose total income does not exceed \$19,200 is eligible to be exempt from the normal fee for registering a vehicle in Pennsylvania and is required to pay only a \$10 processing fee to register their vehicle. House Bill 188 would increase the income eligibility requirement from \$19,200 to \$23,500 for retired persons receiving social security or other pension to qualify for a discounted \$10 processing fee to register a motor vehicle in the commonwealth.

This act would be effective 60 days upon passage.

FISCAL IMPACT: DOT would experience approximately \$1.5 million in total loss of revenue to the Motor License Fund (MLF) in Fiscal Year (FY) 2017-18 and thereafter. In 2015, approximately 129,149 individuals qualified for the registration exemption. GBO estimates that an additional 25,000 individuals could be eligible. However, the exact number of vehicle owners that would qualify for the reduced fee under this act is unknown at this time. Any costs to update forms, fact sheets information modules, as well as the DOT website would be minimal.

FY 2017-18	
2015 Qualifying Individuals for Discounted Normal Fee	129,149
Estimated Additional Eligibles (20 percent)	25,830
Loss per Registration Fee	\$10
Total	\$1,544,790