

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB225**

**Bill Subtitle: TO AMEND THE LAW CONCERNING THE ADDITIONAL FEE REQUIRED FOR THE REGISTRATION OF A HYBRID VEHICLE.**

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### **Basic Change :**

**Sponsors: Sen. B. Johnson and Rep. Holcomb**

Act 416 of 2019 created an additional registration fee of \$100 be paid when a motor vehicle is a hybrid vehicle. Act 416 also created an additional registration fee of \$200 when the motor vehicle is an electric vehicle. The additional registration fees under Act 819 are in an addition to any existing fees required to register a motor vehicle in the State of Arkansas. SB225 reduces the \$100 additional fee that is required to register or renew the registration of a hybrid vehicle in the State of Arkansas to \$50.

### **Revenue Impact :**

**FY2022** - \$1.1 million reduction to the State Highway and Transportation Department Fund.

[ SB225 does not provide an effective date. Revenue impact assumes adjournment of General Assembly provided for July 1, 2021 effective date and is based upon 2020 DFA hybrid motor vehicle registrations. ]

### **Taxpayer Impact :**

Hybrid vehicle owners would pay a reduced registration fee of \$50 for a hybrid vehicle at time of initial registration or annual renewal.

### **Resources Required :**

Computer programing, manual updates, and employee training would be required.

### **Time Required :**

Adequate time is provided for implementation.

### **Procedural Changes :**

Computer programs and training manuals will need to be updated. Department employees and Revenue Office employees will need to be educated on changes.

### **Other Comments :**

None.

### **Legal Analysis :**

SB225 does not contain an effective date. Therefore, this bill would become effective 90 days following sine die adjournment.